

## SENATE—Wednesday, March 23, 1994

(Legislative day of Tuesday, February 22, 1994)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. CAMPBELL].

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*\*\*\* he that is greatest among you shall be your servant.—Matthew 23:11.*

Eternal God, Lord of Heaven and Earth, Ruler of the nations, in gratitude we pray for those who are the servants of the servants of the people.

We pray for the Secretary of the Senate, Joe Stewart, and the Assistant Secretary, Jeri Thomson, all who labor in the Secretary's office and in the various departments which are under the Secretary's supervision. May Thy blessing rest upon them, their loved ones, and their friends.

We pray for the Sergeant at Arms, Martha Pope, and the Deputy Sergeant at Arms, Bob Bean, all who serve in the Sergeant at Arms' office and in the various departments which are under the Sergeant at Arms' supervision. Encourage them in their labors and grant them Your grace for every situation.

Be with any who have special need; assure them of our love and care; and direct them in all their ways—personal, family, and professional.

Thank You, Lord, for faithful men and women who are strong support for the leaders of our Nation.

In His name who lived to serve. Amen.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

CONGRESSIONAL BUDGET  
CONCURRENT RESOLUTION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of Senate Concurrent Resolution 63, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 63) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999.

The Senate resumed consideration of the concurrent resolution.

The ACTING PRESIDENT pro tempore. Under the previous order, the

Senator from New Mexico, [Mr. DOMENICI], is recognized to offer an amendment.

## AMENDMENT NO. 1560

(Purpose: Proposing a Republican substitute)

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. DOLE, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. BOND, Mr. LOTT, Mr. BROWN, Mr. GORTON, and Mr. GREGG) proposes an amendment numbered 1560.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is located in today's RECORD under "Amendments Submitted.")

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. DOMENICI. Mr. President, as I understand it, we have 2½ hours on this amendment, presumably equally divided. Hopefully, we will not use all of our time, but there are a number of Senators who want to speak. Perhaps the vote can occur at 11 instead of 11:30. We will try.

Let me say to the Republicans who were helpful in putting this budget together that the way I see things, we will probably use the next hour explaining our alternative budget, and if any of you want to speak, I urge that you come down during this hour or that you call our cloakroom and tell us precisely when you would like to come, and I will try to accommodate so that three or four Senators who indicated a desire to speak will get in as early as possible, so perhaps we will not have to delay things because of other meetings that are occurring.

Mr. President, essentially, this is a total alternative budget to the President's budget which essentially is before us—that is, the President's budget—with the exception that the Exon amendment was added to it, one of the last votes in the Budget Committee, an amendment that Senator EXON offered and was adopted. It further reduced the appropriated accounts, the so-called discretionary accounts, by \$43 billion in budget authority over 5 years and by \$26 billion in outlays over 5 years.

It is that budget, so amended, but essentially the President's, that we offer a full substitute for here today.

Mr. President, we have heard a lot of talk during the last few months about the current economic situation. In a word, it is good. Our economy is growing. We are creating jobs for our people. Our businesses are growing and, by and large, they are prospering, although there is a certain kind of jobs problem in America that is not related and associated with growth but has something to do with the changing nature of American business, so that there are pockets of unemployment and people very highly trained—many white collar people—are unemployed during this big transition.

But for the most part, there is good news about American jobs and the American economy. And I believe that this body and the work that we have done over a number of years has in no small measure contributed. I also believe that, without question, the work of the Federal Reserve Board in the last 4 or 5 years has had a lot to do with this economic growth that we are now prospering under.

But I also believe very firmly that the job is far from done. And now is not the time for us to take a long lunch break or an evening off and put our economy on automatic pilot.

First, the low-interest rates which began coming down 4 years ago, as I indicated in some detail yesterday, and have stoked, to some extent, this recent economic growth, are creeping back up. This increase has, according to economists, already begun to have a dampening effect on consumer activity.

Moreover, the current decline in our Federal deficit is temporary, and the deficit trend, after 1996, is not good because, as we all know, after fiscal year 1996, the deficit swings upward again and embarks on a relentless upward spiral, driving past the \$300 billion mark shortly after the turn of the century.

Yesterday, I showed the Senate and those interested in this discussion the unequivocal evidence of that as put forth by the Congressional Budget Office. Let me repeat: Now is not the time to rest because the deficit will start going up again, in a relentless spiral upward, past the \$300 billion mark after the turn of the century.

As I indicated yesterday, the longer we continue to leave this deficit in place and permit it to grow adding to the public debt, we are taxing, without

representation, the next and the next and future generations. Americans sort of have a gut sense that taxation without representation is one of the true evils of Government. We have had revolutions about that. And if this deficit, which is now at about \$200 billion for next year, starts back up because we fail to do anything significant while the economy is reasonably strong, then we have taxed the next generation of Americans enormously for our unwillingness to act.

Moreover—and I think we all know this—and we alluded to this during the last year's debate, the President essentially has said, "Don't worry, and let me stress why we should not worry: Because health care reform will bring down the deficit in the future."

Almost everyone agrees that unless we get health care reform under control and reduce the cost to our Government, we will never get the deficit under control. Hence, the statement: "We will get the deficit under control by reducing the costs of health care."

Health care reform will not bring down the deficit for a long, long time, if ever.

The Congressional Budget Office dashed that myth. The secret is out. There is no deficit reduction in the Clinton health care reform plan—none, none for at least 10 years. And anyone who would believe that they can count on health care reform savings 10 years from now, when it might occur, I believe is really risking future generations in terms of taxation without representation because we are increasing their debt load; they will have to pay for it, which essentially is the definition of taxation. And obviously, since they are young or yet unborn, they are not represented; they are not here. Nobody is here voting for them.

So let me say again there is no deficit reduction in President Clinton's health care reform plan. So we cannot fool people anymore. We cannot say we did the work last year. We are taking this year off. We cannot duck our responsibilities because it is an election year. And we all know that we have more to do if we are to keep our economy moving forward.

I believe—and let me make it clear—that Republicans are willing to make that happen. I want the President to succeed, I want this Nation to succeed; and I want the economy to succeed. I wish to bring the deficit down to help create jobs and provide some security to our people.

Now, if there is fear that interest rates are going up because we are reaching full capacity industrially speaking and the Federal Reserve, being concerned about that, wants to tighten money just ever so mildly in an effort to keep the economy from going into a downturn sooner than it should or keep it growing, if not as fast as possible, for a longer sustained period of

time, then obviously we would contribute and help bring interest rates under control and cause sustained growth to occur for a longer period of time during this business cycle if we could commit to deficit reductions that are much larger, much more diverse; that is, covering the entitlements and mandatory expenditures just as we attempt to reduce discretionary accounts more than suggested by the President.

So this budget which I am offering on behalf of all of the Republicans on the Budget Committee and Senator DOLE, who has joined us as a cosponsor, is a principled one. It is a budget that I think is designed to do for our people what one might call real security to the American people. This alternative helps President Clinton in a way achieve two of his most important campaign promises: To cut the deficit in half and to provide a middle-class tax cut. And as I said, this alternative provides real security. It will give and enhance their national security by putting an additional \$20 billion in defense, which is one of the most patent shortfalls in the budget, so we will enhance the national security; we will enhance their personal security and their future security.

So how do we do that? It begins by providing for our current and future security by achieving real deficit reduction. The Republican alternative would reduce the deficit over 5 years \$318 billion. This is \$322 billion more in deficit reduction than the President proposes and \$303 billion more in deficit reduction than the House-passed resolution over 5 years. It reduces the deficit essentially to \$99 billion by 1999. We break the \$100 billion deficit barrier.

An interesting number, \$100 billion. My recollection is that President Lyndon Johnson—that is not too long ago for some to remember—was the first President to submit a \$100 billion budget—not deficit, but a full budget for \$100 billion. And he was worried about how the public and the Congress would accept a \$100 billion total budget of the United States. The deficit in 1999 under the President's and the Democrats' proposal is just under \$200 billion. We will reduce it to \$99 billion. But as we do that, we will also seek to enhance personal security to the middle-class families of this country by providing tax relief to American families with dependent children and to small business in ways I will soon describe.

In addition to the deficit reduction and accomplishing the goal of \$99 billion in 1999, this provides tax relief to families by providing a \$500 tax credit for each child in each household in the United States. This provision grants what we perceive to be needed and, we know, welcome relief to families of 52 million American children.

The tax credit provides a typical family of four \$80 every month for family expenses and savings by virtue of

this credit. I wish to emphasize here, Mr. President and fellow Senators, because I know some of my colleagues on the other side will characterize, or try to characterize, this family tax cut as some gigantic tax cut for the rich, that is just not so—in fact, it is smoke—because 88 percent of the families who will benefit from this tax cut make less than \$75,000 a year. So let us deal with a tax cut for the rich red herring right up front. It is foolishness.

This provision will help middle-class Americans who are struggling to raise their families. We believe that we ought to put some tax reductions where our mouths are. If there is anything we are talking about, it is helping families in this country. I believe especially families raising children are having a very difficult time, and they have seen the Tax Code of the United States, which at its inception tried to provide parents or a parent with enough money annually tax-exempt to raise their children, we have seen and the families of America have seen that concept eroded such that the \$500 tax credit will not get us back to the ratios that existed in the 1950's and early 1960's, that is, with reference to per capita earnings versus the credit or deduction for dependent children.

We also help middle-class families and our young people seeking to advance their education by restoring the deductibility of interest on student loans. And we also seek to index once and for all something that almost all economists agree—at least a major portion—makes good economic sense; and, that is, we index for inflation capital gains, and we allow for capital loss on one's principal residence one time.

All of that means that on capital gains, equity, and assets—people own most of them in business—is that when they sell them they will not have that resource depleted by inflation when they sell it. The capital gains that we now have will be indexed just as the various brackets of tax payments have been indexed in the Tax Code since 1986.

Our alternative budget creates new incentives for family savings and investments through an IRA proposal that can be met by various types of IRA's that would allow penalty free withdrawal for first time home buyers, educational, and medical expenses.

Furthermore, we seek to help spur this economic recovery by extending the research and development tax credit that is in our Tax Code for American business for 1 year providing for a 1-year exclusion of employer-provided educational assistance and adjusts depreciation schedules for inflation.

I believe that we are willing to get the deficit moving strongly in the right direction and at the same time to share the fruits of our budget cuts with the American people through the tax provisions that I have just described.



So in addition on the expenditure side and process side, let me explain two or three other things. First, the Republican alternative budget seeks to ensure the personal security of Americans by funding the Senate crime bill trust fund. We provide \$22 billion for crime measures over the next 5 years. Obviously, the Clinton budget does not. The House-passed budget does not. And, frankly, the way I see things moving, I am not sure that is going to pass as a mandatory measure in Congress, at least not in the foreseeable future.

Finally, our alternative bolsters our national security by increasing funding for President Clinton's defense program by adding \$20 billion, a shortfall acknowledged by the Pentagon in their review of the bottom-up activities of our Federal defense activities. So we add \$20 billion, and while the budget is austere, we would emphasize that Federal spending even at that will continue to grow under this budget. Total spending will increase from \$1.480 trillion in 1995 to more than \$1.7 trillion in 1999.

In addition, since there will be further debate along the line today and tomorrow about how much we should cut the defense in this budget although we reduce discretionary funding substantially, we reinstate firewalls; that is, we say that the \$20 billion we add to the President's budget goes to defense, and after the adoption of this budget resolution, you cannot cut into defense to spend on domestic programs.

So this legislation would protect the defense budgets. The best advocate of this legislation on defense seems to me to be the President of the United States. As he said in his State of the Union Address, "Nothing is more important to our security than the Nation's Armed Forces."

Continuing to quote: "This year many people urged me to cut our defense spending further to pay for other programs," said the President. "The budget I send to Congress draws the line against further defense cuts. It protects the readiness and quality of our forces, and ultimately the best strategy is to do that."

Continuing to quote: "We must not cut defense further. I hope Congress without regard to party will support that position."

So this budget puts in the firewalls; that is, it sets up a very large roadblock to using any of the defense resources for domestic programs. To do that, you would have to have a supermajority.

I think I showed the Senate yesterday that the only part of the American Government over the past decade that is really being cut is defense, believe it or not. Everything else has gone up. Even while we talk about cutting, discretionary programs have gone up, albeit they are not nearly the problem that the entitlements and mandatory

programs are in terms of contributing to this deficit over the past decade.

In my remarks, I alluded orally in words to this chart that is here. I just want to make sure that it is in my statement as part of an explanation. If you look at the budget deficit, which is in red—these numbers at the bottom are pretty small. But let us make sure. We are down here, 1995. Actually, the deficit of the United States will double slightly through mid-1996, and then you see the enormous surge upward passing \$350 billion again.

So anyone that thinks we have the deficit under control is truly, truly not looking at facts.

This budget of ours would come down into the 1999 area, and it would be off this chart or it would be less than 100. This red line will continue on down here which we think makes good sense in good times and we ought to do that.

Again, I ask any of my Republican colleagues who want to speak—Senator COATS I understand would like to speak, Senator GRAMM will be here shortly, and Senator HUTCHISON.

So let me quickly go through how we get to this budget, and indicate to my friend, the chairman, that I will have to leave the floor for 15 minutes at 10 o'clock. Some of my Senators will be here on our side.

Total savings in this budget over 1995-99 slows the growth of Medicare from 10.6 percent average annual growth. Believe it or not, that is still what is in the budget. We expect Medicare to grow at 10.6 average. Clearly, if that continues, there is no way the deficit will ever be under control. Through a series of assumptions that could be adopted, we have reduced that growth to 7.8 percent. That is all. It will be still be growing at 7.8 percent.

Extensions of current law provide \$17 billion of these reductions. Overall, the President had \$54.5 billion in reform and changes in Medicare. We adopt all of those—selective contract competitive bidding, lab, home health care co-insurance, hospital of outpatient payments—all of those were in the President's budget, and we take advantage of them here.

Other savings that we have included in this proposal amount to \$25 billion. I will insert in the RECORD a list of those by way of description of how we might reduce the spiraling costs of Medicare from 10.6 to 7.8 percent. We are not cutting it. We are reducing the rather extraordinary growth which this Senator thought we were going to commit ourselves to as part of health care reform and apply these savings somewhat to the deficit. We apply them all to the deficit.

On Medicaid, total savings over 5 years comes from slowing the growth of Medicaid from 12 to 8.1 percent.

Frankly, I believe that is going to happen, because I do not believe we can pay for Medicaid growing at the rate of

12 percent. We have chosen to reduce it to a growth rate of 8.1 percent and, in so doing, we have applied all of the savings to the deficit. We think we ought to start with a deficit plan. When we build health care on top of it, that has applied savings that will come from these programs so that we start with that as a basis.

We have also gone to capitalization instead of fee for service like the States of Arizona and Texas. We would do that for the Nation—pay per-person amounts to States allowed managed care without Federal waivers. That means this permission will be granted as part of legislation that would follow under our budget resolution. And we index amounts to the President's formula. I will state those in the RECORD by the year.

Disproportionate share is cut by 5 percent and frozen at 1994 levels; emergency services only for noncitizens, and we go on to a couple of other issues that we recommend as part of our percentage reduction. These are ways that this could be achieved if, in fact, the Finance and Ways and Means Committees in Congress find other ways to go from this spiraling cost of 12 percent, which is built into this red line on the chart. If they find better ways, obviously, that is not precluded in any budget resolution.

I note, Mr. President, that Senator COATS is here, and he has asked me for 10 minutes on our alternative budget.

I yield to him for 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Indiana [Mr. COATS] is recognized for 10 minutes.

Mr. COATS. Mr. President, I want to start out by thanking Senator DOMENICI, the ranking member of the Budget Committee. He has worked very, very closely with many of us to fashion a Republican alternative here that I think redirects the priorities of how we deal with taxpayer's funds. It is a budget that takes into account the needs of families, the needs of businesses to provide growth, and therefore, opportunity and jobs for families. We successfully address, in a serious way, the Federal deficit, which undermines our future from both an economic standpoint and from the sociopolitical standpoint.

We are simply denying opportunities that we have enjoyed to future generations. Unless we take serious steps to address the deficit, we are going to be passing on something to future generations none of us will be proud of. The Republican alternative effectively deals with reducing the budget deficit. I thank Senator DOMENICI for his very significant efforts in crafting an alternative that philosophically presents a clear choice to Members of the Senate and to the American public.

The part of the Republican alternative I want to address, in the limited time I have, is the \$500 tax credit,

which will be made available to 52 million American children. The threats to the American family today are many, but one which we have direct control over is the amount of their own earnings they are allowed to keep. They need the ability to decide how to direct those funds in the best interests of their children.

The Congress has traditionally utilized the personal exemption as a means of compensating families with children, recognizing that they have special needs, that there are special costs that flow to families with children that do not affect many of the rest of us. With three children myself, I understand those costs. If you go buy a pair of tennis shoes, it is not a pair of \$4.95 canvas Converse Keds I grew up wearing. It is the \$125 Air Jordans that you have to pump up. Even if you get the discount models, you are looking at \$60, \$70, \$80 for a pair of tennis shoes. When you have kids out in the driveway shooting baskets or playing football, it seems like you are in the shoe store every 3 months.

College costs have escalated to the point where it is extraordinarily difficult for American families to set aside funds to pay the tuition at many of our institutions of higher learning. On and on it goes—whether it is transportation or housing or clothing, it is clear that families with children have needs beyond many others.

How do we address those needs? Through the personal exemption. In the 1986 Tax Fairness Act, we finally made an adjustment to the personal exemption that was long overdue. In 1948, when Congress first implemented that personal exemption, it stood at \$600 a year, and it only increased to \$1,000 per child by 1986. Had it been indexed to inflation, or to the rise in wages the personal exemption would have been double or triple that amount. Today, we know that the value of that \$1,000 exemption would need to be \$8,000 just to keep pace with inflation. It is only a little over \$2,000. Senator DOMENICI has recognized the need for middle-class tax relief in addressing the needs of middle-income taxpayers. So while we are looking at how to reduce the deficit and how we structure the way in which we spend taxpayers' dollars, we must consider families.

This is not necessarily a partisan idea, because it was a concept supported by the President, during his campaign when he called for middle-income tax relief and proposed a \$400 tax credit per child. The President said,

People say \$400 is not very much money. I think it is a lot of money. It is enough for a mortgage payment, enough for clothes for the kids, and enough to have a big short-term impact on the economy.

And the Vice President advocated an \$800 refundable tax credit for every child under 18. I quote him saying:

This approach, family tax relief, is going to be the centerpiece of the Democrat agenda for 1992.

Well, it was—for 1992. That is when they were campaigning. But here it is in 1994, and we are looking at the Democrat budget, and it is not only not the centerpiece, it is nonexistent. It does not provide the relief for families I think people on both sides of the aisle have acknowledged is needed.

The \$500 tax credit will allow families to retain hard-earned income and make decisions as to how best to meet the needs of their children. It is incorporated in this Republican alternative. It is one of the centerpiece—

Mr. SASSER. Will the Senator yield for a question?

Mr. COATS. I have a very limited amount of time. At the end of my statement, I will be happy to yield. I might be able to address some of the Senator's concerns in my statement.

He may have wanted to raise the question: Well, this is just a tax break for the wealthy. Let me point out, Mr. President, that three-quarters of the children eligible for the credit live in families with a gross income of less than \$60,000 a year.

That is where the relief will flow. That is where the needs are the greatest. We need to understand, also, that while it is designated as a tax credit, we have in place programs that will meet the needs of many of those who are earning below \$16,000 a year. That is where the earned income tax credit comes in. It is an important program for a family of two earning below \$16,000 a year. Their entire Federal tax burden is erased by the earned income tax credit.

We are targeting those who are caught in the middle, those who have not been granted the relief we have provided for low-income families, who are struggling to meet the daily needs and expenses of their children.

This leaves a significant amount of money in the hands of families. It returns money to the States and to individuals and allows them to make decisions on how they will spend it.

Mr. President, I ask unanimous consent to print in the RECORD a listing of the dollars returned to each State through this \$500 per child tax credit.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DOLLARS RETURNED TO EACH STATE BY A \$500 PER-CHILD TAX CREDIT

State	Number of families with children in each State	Number of children eligible for a \$500 tax credit	Amount each State could receive annually from \$500 per-child tax credit
Alabama	984,846	836,486	\$418,243,000
Alaska	131,801	134,962	67,481,000
Arizona	901,059	744,524	372,262,000
Arkansas	572,309	524,241	262,120,500
California	6,864,996	6,625,012	3,312,506,000
Colorado	832,055	737,544	368,772,000
Connecticut	835,801	723,674	361,837,000
Delaware	181,252	172,017	86,008,500
District of Columbia	101,346	81,195	40,597,500
Florida	3,410,974	2,233,271	1,116,635,500
Georgia	1,555,254	1,226,073	613,036,500

DOLLARS RETURNED TO EACH STATE BY A \$500 PER-CHILD TAX CREDIT—Continued

State	Number of families with children in each State	Number of children eligible for a \$500 tax credit	Amount each State could receive annually from \$500 per-child tax credit
Hawaii	293,296	295,346	147,673,000
Idaho	251,430	263,945	131,972,500
Illinois	2,873,440	2,501,462	1,250,731,000
Indiana	1,454,936	1,110,887	555,443,500
Iowa	683,268	641,094	320,547,000
Kansas	637,247	651,174	325,587,000
Kentucky	901,634	648,121	324,060,500
Louisiana	996,911	868,702	434,351,000
Maine	298,512	223,255	111,627,500
Maryland	1,194,734	1,038,365	519,182,500
Massachusetts	1,437,080	1,110,453	555,226,500
Michigan	2,254,735	1,866,891	933,445,500
Minnesota	1,043,603	946,639	473,319,500
Mississippi	572,963	540,359	270,179,500
Missouri	1,256,963	981,008	490,504,000
Montana	205,770	197,938	98,969,000
Nebraska	414,899	427,724	213,862,000
Nevada	313,332	247,958	123,979,000
New Hampshire	307,359	246,361	123,180,500
New Jersey	1,893,615	1,522,756	761,378,000
New Mexico	365,776	321,854	160,927,000
New York	4,138,706	3,575,251	1,787,625,500
North Carolina	1,663,710	1,359,138	679,569,000
North Dakota	146,146	145,786	73,393,000
Ohio	2,650,194	2,392,172	1,196,086,000
Oklahoma	782,007	644,733	322,366,500
Oregon	745,406	607,615	303,807,500
Pennsylvania	3,057,172	2,587,260	1,293,630,000
Rhode Island	240,767	159,461	79,730,500
South Carolina	891,157	777,909	388,954,500
South Dakota	173,385	158,309	79,154,500
Tennessee	1,242,636	829,778	414,889,000
Texas	3,964,267	3,628,180	1,814,090,000
Utah	390,211	473,448	236,724,000
Vermont	142,093	116,058	58,029,000
Virginia	1,528,524	1,286,275	643,137,500
Washington	1,252,277	1,141,341	570,670,500
West Virginia	452,953	346,642	173,321,000
Wisconsin	1,252,892	1,175,695	587,847,500
Wyoming	117,117	122,668	61,334,000

Source: U.S. Census, 1992 Current Population Survey.

Mr. COATS. Mr. President, I urge Members to look at the money that will flow back to their States as a result of this tax credit. These are funds which will be invested back in the local community. These are funds which will be invested for the needs of children within their State.

Let me give a couple examples. In my State of Indiana, \$555 million will be left in the State annually rather than being sent to Washington and spent in ways that do not provide relief for the family.

So I commend Senator DOMENICI for his sensitivity to this problem, for including it in this Republican alternative. It is a central feature of this Republican alternative, distinguishing it from the Democratic budget plan. It addresses the very heart of what we need to do to invest and provide relief for families. It significantly strengthens the incentives for savings. It provides incentives for businesses to grow and thereby create jobs that will be available for children coming out of the family, and provides relief that families need in order to make decisions that are in the best interest of their children.

I am proud to support this alternative, and I am again thankful that Senator DOMENICI has been such an effective leader and so instrumental in including the \$500 per child tax credit in the Republican budget alternative.

Mr. DOMENICI. I think the Senator still has a little bit of time remaining.



The ACTING PRESIDENT pro tempore. The Senator has 1 minute and about 10 seconds.

Mr. SASSER. Mr. President, will the Senator yield for a question on that time?

Mr. DOMENICI. Might I first inquire whether he has time, and I will yield in a moment.

I thank the Senator from Indiana for the leadership that is really sincere in this issue of families and Government policy that has been adverse to families economically and otherwise. I thank him for his leadership.

We adopted it as part of our assumption that we would do in this resolution many of the things he has advocated in various tax proposals and family-oriented proposals that he has been pushing here in the Senate. I commend him for that and thank him for that help.

Mr. COATS. I thank the Senator for his generous comment.

On the time I have remaining, I am happy to yield to the chairman.

Mr. SASSER. I thank the Senator from Indiana.

I make this point. As I understand the way this tax credit works, or child-care credit works, if a family is making \$1 million a year they would get the same tax credit per child as a family making \$30,000 a year. Is that correct?

Mr. COATS. The tax credit applies to every family with children. But I point out to the Senator that the bulk of this money, the vast majority of this money will go to middle-class families earning under \$60,000 a year. What distinguishes it from the Democratic plan is that we have the—

Mr. SASSER. Mr. President, if the Senator will yield—

Mr. COATS. Excuse me.

If I could respond to the Senator on my time, we have the relief in the package and the Democrats have no relief. So it is bogus to argue that it goes to some people who should not receive it. We send it to everybody; the Democrats send it to no one.

Mr. SASSER. Let me ask this question.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. SASSER. On my own time, I will inquire of the Senator from Indiana:

A working family of four making \$16,000 a year would get no credit under this plan. Is that not correct?

Mr. COATS. In response to the Senator, under this plan they would receive full credit under the earned income tax credit and pay no taxes.

Mr. SASSER. If they are paying no taxes and this gives them no tax credit, they would get no benefit under this proposal.

Mr. COATS. No.

Mr. SASSER. That is correct.

Mr. COATS. They get a rebate under the earned income credit, as the Sen-

ator from Tennessee knows. Those under \$16,000 are fully protected. It is the middle class the President, the Vice President, Secretary Bentsen and others have said the Democrats want to reach out to, and have not done it. And the budget plan provides for no relief for middle-class income families, no relief whatsoever, and that is what distinguishes it from our plan.

Mr. SASSER. Is the Senator from Indiana trying to represent that this is a refundable tax credit to people who make under \$16,000 a year?

Mr. COATS. Not at all. I said the earned income tax credit is available to those who earn under \$16,000 a year, as the Senator fully knows.

Mr. SASSER. But it is true, is it not, that a family of four making \$16,000 a year gets no tax credit under this Republican proposal that the Senator from Indiana is lauding today? Is that not correct?

Mr. COATS. The Senator seems to want to divert attention from the fact that it is Republicans who are providing relief to middle-income families and the Democrats provide zero. We provide a \$500 tax credit and that is what distinguishes it, and one of the many things that distinguishes our plan from theirs.

I think the Senator from Tennessee knows the relief available to those earning \$16,000 and under is the earned income tax credit.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. SASSER. Mr. President, speaking on my own time here, let us just consider this \$500 child-care credit.

Mr. DOMENICI. Mr. President, could I put a chart in and then the Senator can give his speech?

Mr. SASSER. I am pleased to yield to my friend from New Mexico.

Mr. DOMENICI. Mr. President, I yield 1 minute of my time.

I just want to print a chart in the RECORD that shows that of this tax credit in terms of percentages below \$200,000, taxpayers below \$200,000, 98.3 percent of this tax credit. That is where 98.3 percent goes.

So to argue about millionaires, or \$500,000, is to talk about 1.7 percent of this cumulative tax credit. So I do believe it is kind of smoke.

I submit the chart please and thank the Senator for yielding.

The ACTING PRESIDENT pro tempore. Does the Senator wish to have the table printed in the RECORD?

Mr. DOMENICI. Yes, and I so ask unanimous consent.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Where do the benefits of the \$500 tax credit go?

AGI	Cumulative share (percent)
Below \$1 million	99.9

AGI	Cumulative share (percent)
Below \$500,000	99.6
Below \$200,000	98.3
Below \$100,000	93.7
Below \$75,000	87.4
Below \$60,000	77.7
Below \$55,000	72.4
Below \$50,000	66.0

Source: Individual Income Tax Returns, 1990, Statistics of Income, August 1993.

Mr. SASSER. Mr. President, let us just consider this \$500 child credit here.

Our colleagues have characterized this proposal as a middle-class tax cut. The truth is, nothing could be further from the truth. Let us just consider how this credit works.

For families with \$16,000 in income or less, there is no benefit. Why? Because the credit is not refundable. Thus, working poor families get nothing under this scheme.

My friend from Indiana seeks to represent that these families under \$16,000 would benefit from the earned income tax credit. You would almost think from listening to him that this is in the Republican alternative. The fact is that the earned income tax credit was in the President's budget proposal last year. That was passed in this Senate without a single Republican voting for it.

So, tax relief for families making under \$16,000 is not present in this budget, not in this Republican alternative. It was present in the President's budget that was passed last year. As a matter of fact, the President's budget that we passed here last year gave tax relief to families of four earning \$28,000 or less. That was the earned income tax credit provision that was passed here without a single Republican vote coming from the other side of the aisle.

It is true that even though a family of four making \$16,000 a year or less gets no benefit from this alternative that is being proposed here, a family of four making \$1 million a year does get the \$500 per child tax credit.

If my friend wanted to be fair about this on the other side of the aisle, why not cap this? If we are really interested in helping middle-class families why do not we cap this tax credit at \$100,000 a year, \$75,000 a year, even \$125,000 a year?

No. They did not want to do that. The family making as much as \$1 million a year gets the tax credit, whereas a family making \$16,000 a year or less gets no tax credit under this provision at all.

To characterize that as a child middle-income tax cut fair to all, Mr. President, I think stretches credibility.

Let me just say a few words about this Republican alternative. As I said when this alternative was presented in the Budget Committee at markup time, there are so many problems here I really hardly know where to begin. First of all, this alternative being pre-

sented here might best be characterized as cut taxes now, increase deficits later, and make the middle class and the poor pay for it. That would be a fair characterization, I think, of this alternative that is being presented here.

Yes, it has the Republican standard of tax cuts for the wealthiest of Americans which would drive up the deficits in the outyears. To pay for these tax cuts for the wealthiest, it slices health care programs for middle class people and for poor people. It cripples the key discretionary investments in infrastructure, in administration of justice programs, and it relies on very questionable savings indeed, like asset setters. For example, this Republican alternative raises a substantial amount of revenue out of leasing the ANWR project which the Congress has voted against time after time after time. And that could not be counted as income or revenues anyway, under budget rules. It also raises money through a very, very doubtful IRS compliance initiative.

So what we have here are some smoke and mirrors that are representing themselves as revenues to cover some of these tax cuts for wealthy people.

Since the beginning of the year, we in the Budget Committee have been subjected to a constant stream of complaints about long-term deficits and dire warnings about what is going to happen if we do not address them.

As I said before, I think we ought to be concerned about the outyear problems. We have made very, very substantial progress. The budget deficit-reduction plan that we passed last year in this body by a one-vote margin, with the Vice President having to come over here and break the tie, has reduced deficits in the outyears very significantly.

As a result of the deficit-reduction plan that we passed, the deficit in fiscal year 1998 will be \$200 billion less than it would be otherwise. As a result of the deficit reduction plan that we passed last year, we have 3 years of declining budget deficits; the first year that we put 3 years of declining budget deficits together in a row since Harry Truman was President of these United States. And bear in mind that Harry Truman presided over a country that was coming out of World War II, so you would expect budget deficits to be declining.

But, having said all that, and in spite of the success of the plan that we passed last year which has led this Nation back into economic recovery—economic growth in the third quarter of 1993 stood at a very, very robust 7.5 percent real economic growth. We have not seen economic growth figures like that in years and years and years and years. In 1993, we created 1.9 million new jobs in this economy. In the pre-

vious 4 years, from 1988 through 1992, we created only 1 million. So we created almost twice as many new jobs in this economy in 1 year in 1993 than had been created in the previous economy over an entire 4-year period.

But, having said all that, I still have some concerns about the outyear deficit problems myself. What puzzles me, and what I cannot understand, is that several of the tax cut proposals advanced in this alternative that we have before us this morning actually worsen the deficit in the outyears; actually make it worse. That is right. The proposals that they are advancing make the deficits worse in the outyears instead of better.

Well, you may say, "How could that be? How could it be that those who have been complaining and wringing their hands and gnashing their teeth over the past few months about out-year deficits, how could they possibly be proposing a budget alternative that makes them worse?"

Well, let me just describe to my colleagues how this works.

For starters, let us take the individual retirement account expansion, expansion of the so-called IRA. We have here what is called a front-loaded IRA. Congress got its first taste of this gimmick back in 1989. What it does is, it allows people to put large sums of money in the IRA up-front pay. It is a so-called back-loaded IRA, where they put the money in, pay a little tax up front, and then, as the IRA grows later on and they take it out, they pay almost no tax.

As I say, we got our first taste of this gimmick back in 1989. And though this proposal is slightly different, it still suffers from exactly the same defects as its predecessors.

There is serious doubt in academic circles as to whether these new IRA's will increase national savings or not. But we do know that, beyond an initial revenue burst in the first 5 years, they will create a massive deficit hemorrhage in the years beyond.

More than 70 percent of all Americans are currently eligible for an IRA. Only the more affluent taxpayers, with tax-favored company pension plans, are excluded from IRA's. At least 95 percent of the proposed new tax benefits would go to the top 20 percent of all taxpayers, according to estimates for past IRA expansion proposals. And—get this—the richest 3 percent of all the taxpayers would collect nearly one-third of the tax cut under this IRA proposal being advanced in the Republican alternative. And for what?

According to the Joint Committee on Taxation, they estimated a 1991 proposal to restore one-half of the old-style IRA deductions would cost \$15 billion over 5 years.

Restoring full IRA's would cost more than \$30 billion over 5 years. What this proposal does, it merely postpones

these revenue losses to the outyears. When my friends on the other side say they are very concerned about the deficit increasing, this merely postpones the losses to those outyears by back-loading the tax deductions; that is, by telling taxpayers they can pay a little more tax now in exchange for a lot less tax later.

Well, the long-term effect on the Treasury obviously is not good. A Congressional Budget Office analysis reported that for each dollar of short-term Government revenue from the rollover provision, it costs \$9.93 in lost future revenues. Now, get this: For every dollar of short-term Government revenue, CBO estimates that it costs \$9.93 in lost future revenues under a reasonable set of economic assumptions.

So for every dollar in revenues you get on the front end of it, CBO says you are losing \$10 in revenues on the back end of it. Now, if that is not a prescription for increasing the deficits in the outyears, I do not know what is.

But what is so striking about this proposal is that it gravely worsens the problem that my colleagues on the other side have been complaining about so vociferously, day in and day out—the outyear increases in the deficit.

Well, Mr. President, the IRA proposal is not the only item in this alternative which is guilty of this sin of increasing the deficits in the outyears. The so-called neutral cost recovery for business is also another way of shifting huge tax losses into years beyond the initial budget window.

The proposal would restructure the tax treatment of depreciation by businesses and would, in the short run, generate revenues by reducing deductions.

But what happens in the outyears?

Just as in the IRA's, depreciation deductions would grow dramatically, expanding far beyond current baseline projections, and, once again, raiding the Treasury.

The effect of this proposal is to eliminate a good deal of income tax on business profits, all at the expense of U.S. taxpayers, those same middle-class taxpayers we were so concerned about just a moment ago. We heard those expressions of concern, that they would be the ones who would pick up the tab in the long run for this so-called business depreciation deduction. According to projections made by the Congressional Research Service, this little tax break would ultimately lose the Treasury \$32 billion a year in the outyears. Once again, if we are so concerned, as some of my colleagues seem to be, about the outyear deficits, why in the world are they proposing these gestures which are simply going to increase the outyear deficits?

We have heard a lot of concern expressed here about small business over the past year, and I am very concerned about small business myself. I am a



strong supporter of small business. I think small business in this country is the last refuge of the true entrepreneur. My family has been engaged in small business. But for those who are concerned about small business, they may be surprised to know that the so-called small business tax break does nothing special for them. Small businesses are already allowed to expense capital costs of up to \$17,500 per year. It is the larger corporations, those with more than \$10 million in assets, who account for 90 percent of all corporate income tax. These are the corporations who would stand to benefit from this tax change that is billed as being a boon to small business.

What else do we have in this alternative that increases the outyear deficits? I have never seen an alternative or any economic initiative emerge from the other side that did not include in it the old standby: capital gains. I do not think there is a real need to rehash the debate over a capital gains tax cut one more time. Suffice it to say, we simply cannot afford it, nor do we need to enact it. It is simply another tax break that is pointed toward benefiting the wealthiest among us. More than half the benefits from this proposal will flow to those with incomes over \$200,000 per year. The average benefit for those folks would be \$8,000 per year. By contrast, the cut would be worth less than \$400 to families with incomes between \$30,000 and \$50,000.

Let me just repeat that. The average benefit to those with an income of over \$200,000 a year under this proposal would amount to \$8,000 a year in tax cuts. Contrast that to the fact that this tax cut would be worth less than \$400 to families with incomes between \$30,000 to \$50,000.

Perhaps we could do this if we could afford it, even though it does not seem to be very fair to me on the surface. But what is the price tag for all this largess to the wealthy? Why, a mere \$7 billion a year when fully phased in; \$7 billion more in revenue losses in the outyears, increasing the outyear deficits they were supposed to be so concerned about.

Finally, we have discussed to some extent the \$500 child credit. Our colleagues have characterized this in their alternative as a middle-class tax cut. Nothing could be further from the truth. As I pointed out, for families with \$16,000 in income or less, there is no benefit at all. Why? Because the credit is not refundable. Thus working poor families simply get nothing out of it.

If they wanted to be fair, why did they not make it refundable on the bottom end and cap it on the top end? There was some discussion, I think, among our colleagues on the other side about doing that. But those who wanted to take this approach were over-

ruled. So on the other end of the scale for this so-called child credit, a family with \$1 million in income gets the full credit and a working family making \$16,000 a year gets no credit. That does not make much sense to me.

The alternative that we have before us proposes that we spend \$103 billion on a tax credit over 5 years that does not benefit those who are the working poor and brings this benefit to those who are the wealthiest among us. Sure, this proposal helps some in the middle-income level. But if you really want to be fair about it, why do we not make it refundable for those who are the working poor and cap it so those who are the wealthiest among us, who do not need the money, do not get it? Let that money flow back into the Treasury to help reduce the deficit.

It would be great to be able to provide a middle-income tax cut. I have supported such a concept for a number of years. But, unfortunately, we just cannot afford it at this time. The plain fact is, when you blow all the foam off these tax proposals, two things become clear. It is just as plain as the nose on my face that this plan is going to drive the deficits up in the outyears. Second, it once again contains tax breaks that are aimed at the wealthiest taxpayers, and once again it leaves the poor folks to fend for themselves.

Some will say this is class warfare. It is not class warfare. This is just simply telling the truth about things. If some want to characterize it as class warfare they can, but I do not think it can be characterized as such when you are just simply laying out the facts about it.

(Mr. WOFFORD assumed the chair.)

Mr. SASSER. That is a quick overview of the tax changes.

Let us see what is happening on the spending side. I am sorry to say, the picture gets worse. It deteriorates even more. The fact is, this plan pays for its tax breaks by taking away health care from the poorest Americans. The plan would cut Medicaid by \$64 billion, and a good deal of it specifically directed at payments for hospitals which serve large numbers of uninsured and the poor. This would mean that a great number of small and rural hospitals all across this country would simply go out of business. This would mean that the State governments would have placed upon their backs a greater burden in providing health care for the poor. And to compound the felony, a large proportion of the Medicare cuts would affect the same hospitals.

What is this paying for? This is paying for those tax reductions we talked about earlier, the capital gains tax cut that is targeted to the upper income groups and the IRA deduction that will be taken advantage of primarily by those in the upper income groups, the wealthiest Americans.

There is something else going on in this budget that our friends on the

other side are not eager to advertise. This budget plan would absolutely kill health care reform. It would drive the last nail in the coffin of health care reform, and drive a wooden stake through its heart. I have no doubt that the Medicare and Medicaid cuts in this package would ensure no comprehensive health reform and would ensure no universal coverage.

The budget would cut Medicare and Medicaid by \$144 billion over 5 years; that is, the budget advanced by our friends on the other side. That is more than twice what we cut last year. It would all be used for deficit reduction or to finance a tax cut for the wealthy. Either there would be no universal coverage health reform or there would have to be large tax increases to guarantee coverage and bring about health reform.

Let me point out something else about this alternative plan. Cutting large amounts in Medicare and cutting large amounts in Medicaid without any kind of health reform is really a huge tax increase masked as health insurance premium increases. There is already a well-documented health care cost shift from Medicare and Medicaid to private insurance payers.

In the hospital area alone, the Prospective Payment Assessment Commission found in 1992 that Medicaid paid about 80 percent of the hospital costs for its patients. Medicare paid about 90 percent and private insurance paid about 128 percent.

Now, what if we adopt these cuts in Medicare and Medicaid that our friends on the other side are espousing today? What happens? It simply means that the hospitals are going to transfer more of the cost to the private insurance patients. It means that those citizens who have private insurance, their employers and those citizens, are going to see their health insurance premiums go up because there will be more cost shifting for Medicare and Medicaid patients to make up the difference.

These cuts they are talking about in Medicare and Medicaid are nothing more than huge masked tax increases to those who have private health insurance.

Since the study of the Prospective Payment Assessment Commission, we have cut another \$63 billion from Medicare and Medicaid. At a minimum, last year's reconciliation bill cut Medicare hospital rates by another 4 percent. This package would cut billions more without the benefit of a systemwide health reform. All of this means even larger shifts in hospital costs, larger shifts in doctors' costs and other health care costs to private payers. It means ever higher and higher premiums for health insurance for everyone else, and that is a direct tax on whoever pays it, whether the workers pay it, whether the employers pay it or whether just private individuals who

have privately held insurance policies pay it.

Let us not forget about this hidden tax, this health care cost shift tax. And that is a good part of the reason we are having a health care crisis now. That is why we are considering comprehensive health reform. That is why the distinguished Presiding Officer, the Senator from Pennsylvania [Mr. WOFFORD], has been working day after day, week after week, month after month in this body trying to bring about a comprehensive health care reform.

Mr. President, let me not leave the impression that Federal health care entitlements have been left untouched. Medicare has already been cut by over 20 percent. We have had health care cuts in 10 of the last 13 years. The cumulative impact of these bills has already reduced Medicare spending by as much as 20 percent below what it would have been today without the cut. Last year's bill alone cut Medicare by \$56 billion and Medicaid by another \$7 billion.

The specifics of the Medicare cuts include increases in beneficiary out-of-pocket costs, but without the additional prescription drug and long-term benefits in the President's plan. The Republican substitute says it includes only the Medicare cuts in the President's budget. But the President's budget included those cuts as part of a much broader health reform package and broader reforms in the Medicare Program.

This substitute would means test the Medicare monthly premiums charged to beneficiaries, and beneficiaries would have to pay a higher out-of-pocket cost for home health care and for laboratory tests.

The substitute offered by the Republican minority adds a new increase in part B deductible paid by all beneficiaries.

So what we have is an increase in the part B Medicare tax paid by all beneficiaries; we would means test the Medicare monthly premiums charged to beneficiaries; we would lower Medicaid and Medicare payments to the hospitals; we would, therefore, increase the premiums of those who hold private insurance. So what this amounts to is simply pushing back on to the population of this country more health care costs to be handled at a private level to pay for these tax cuts, most of which go to our wealthiest citizens.

Mr. President, this substitute that is being offered today does not include the President's proposal to add a prescription drug benefit to Medicare. As I said earlier, it does not provide extended long-term care services as part of health reform.

So much for the savageries to Medicare and Medicaid under this alternative that is presented to us today. Let us take a look at what is happening on the discretionary side of the budget.

The plan that our Republican friends put forth proposes to cut Justice funding by half a billion dollars in 1995 and by more than \$2.7 billion over 5 years. Many of the proposed programs cut are cut to support initiatives of the crime bill. I hear a lot of talk on the other side about fighting the war on crime, but when it comes to providing the funding, this budget just takes a pass on that.

The alternative proposes to cut transportation funding by \$8.3 billion in 1995 and by more than \$37.2 billion over 5 years. This proposed cut would cripple the initiatives to improve our transportation infrastructure. This country's transportation infrastructure is vital to our economic well-being, allowing products to be shipped from producer to consumer with minimal cost in relation to the rest of the world.

This proposal would put our country at a competitive disadvantage as we enter the 21st century. Our highway system would continue to deteriorate. Roads and bridges would continue to deteriorate. Airports would continue to be congested. Amtrak would be in serious trouble in the Northeast corridor under this particular proposal.

I might point out to my colleagues, discretionary spending is already under very strict limits. By 1999, under the President's budget, discretionary spending, as a percent of gross domestic product, will be lower than any time since 1940.

Let me repeat that. I want all of my colleagues to hear that: By 1999, under the budget that we passed last year, discretionary spending, as a percent of gross domestic product, will be lower than any time since 1940. Now, if the budget is adopted, discretionary spending will drop by 6.3 percent by 1999 under this proposal.

Let us get to a provision here. I am really hesitant to bring this up, frankly, but I feel compelled to do so, and that is the question of asset sales. Now, this is a budget gimmick that I thought went out years ago. We have been embarking on a program of budget integrity and budget honesty. My friend, the distinguished ranking member, Senator DOMENICI of New Mexico, I remember, when we were at Congressman Leon Panetta's, now Director of OMB Panetta, confirmation hearing, talked about honesty in budgeting. He was committed to it. He still is. He asked Mr. Panetta: Are you going to submit your budget using bona fide CBO numbers? Will you get off of this business of rosy scenarios? Will you move in the direction of honest budgeting? And the answer to that was "yes," and that has been the case. We now are in an era of honest budgeting—no more smoke and mirrors, no more rosy scenarios, no more fooling ourselves with our own propaganda. And what do we find in this budget that we are looking

at here today offered as the Republican alternative? That time-honored, old budget gimmick, asset sales.

Now, I should note that there are some questionable accounting techniques in this budget. Our friends' alternative that they are presenting would defer 7 years' prohibition on counting asset sales. The implication of this change is that the proponents of the amendment want to pay for current spending by selling the assets of the U.S. Government. It is like selling the garage to pay the monthly mortgage bill. You might be able to get away with it for 1 month but you certainly cannot do that for very long. I guess you would sell the garage 1 month and then sell maybe kitchen appliances out of the house the next month and then maybe sell the air-conditioning unit the next month, and keep on until finally you had just the bare walls of a house.

That is the asset sale approach to trying to meet the budget problems. The truth is that asset sales are no more than budget gimmicks. If we are going to be responsible, we should cover current expenditures with current income. We should not allow permanent spending increases to be covered by short-term asset sales. If you use the asset sale gimmick in the short run, all you are going to do is increase the deficits in the outyears.

Finally, we have heard from the day we first got it that the President's budget is incomplete. The distinguished ranking member called it the "MIA budget," missing in action budget, because some of the President's initiatives are not explicitly included in the budget totals.

Well, as I look at this substitute, I cannot help but wonder the same thing. It says nothing about how you are going to pay for GATT or how you are going to pay for health care reform or a number of other initiatives that are missing and were said to be missing from the President's budget.

Well, Mr. President, I think that about sums it up. What we have here is the usual alternative that we get from our friends on the other side year after year. It always includes tax cuts, and they are supposed to be tax cuts that benefit middle-income taxpayers, but when you peel it back you find that they are tax cuts that primarily benefit the wealthiest among us.

How do they pay for these tax cuts? Well, they cut Medicare, they cut Medicaid, they gut investment in our infrastructure, they do away with other important discretionary priorities, they use questionable accounting techniques, and they call it a deficit reduction budget.

Mr. President, I think if we will analyze this budget just in a cursory way, we will see that it does not measure up. It simply does not measure up. In the final analysis, it is going to increase



the outyear deficit problem, and in the short term it is going to wreak havoc on the discretionary portion of the budget. It is going to, I think, wreak havoc on Medicare and Medicaid. I do not think, if the American people understood this Republican alternative, they would countenance for one moment wanting to accept it.

Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Could I inquire, do we know how much time remains on each side?

The PRESIDING OFFICER. The Senator from New Mexico has 33 minutes; the Senator from Tennessee has 31 minutes.

Mr. DOMENICI. I am going to yield now in the RECORD 10 minutes to Senator GRAMM, 8 minutes to Senator HUTCHISON, 8 to Senator NICKLES, 5 to Senator GORTON, and I think that reserves about 5 minutes for the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, budgets are about vision, and I know probably many people trying to follow this debate have been almost asleep as they have listened to the droning on of facts and figures and outrage about the fact that there are rich people in America—shocking. There are too few in my opinion. I would like to do something about it.

But I want to get away from all that talk about what is really at issue. We have before us today in the Senate two competing visions for the future of America. That is what this budget debate is about. It is not about numbers. It is not about all of these thick sheets of facts and figures. They are just outward and visible signs of what we are talking about. What we are talking about basically comes down to two competing visions for the future of America.

The distinguished Senator from Tennessee represents and articulates one view of America's future. That is a view of bigger Government. That is a view supported by more taxes. That is a view that is founded on the premise that Government is the answer; that the way to provide opportunity and growth for the American people is to have the Federal Government getting bigger, spending more money, exercising more authority, and making more decisions. It is a perfectly legitimate viewpoint. It has been rejected in most of the world, but it has not been rejected in the Senate. In fact, it is the majority view.

Now, let me outline how that vision is manifested in the Democratic budget that is before us and then talk about our alternative.

The budget before us spends twice as much of the productive resources of the

country on social programs as we spent at the peak of President Johnson's Great Society—that is, twice as much of the productive resources of America on social spending as we spent at the peak of the Great Society.

The budget before us spends half as much of the productive resources of America on defense as compared to what we spent when Jimmy Carter was President. The budget before us begins the implementation of the tax increase of the last budget retroactively, starting on April 15. It taxes Social Security benefits. It taxes gasoline. It taxes small business. And it proposes in its health care reform component that the Government take over and run another 15 percent of the economy so that, if adopted and if implemented, the budget before us contemplates legislative action that for the first time in American history would have Government at the Federal, State and local level taking more than 50 cents out of every dollar earned on average by all Americans.

That is the vision of the Democratic budget. It is a budget that spends more than any budget in the history of the United States. It is a budget that taxes more than any budget in the history of the United States. It is a budget which proposes a growth in Government spending, especially in health care, that has never before been contemplated by a free society.

That is the budget alternative for which the distinguished Senator from Tennessee speaks. I wish every American family could sit down around the kitchen table and look at that alternative, look at that vision for their future and compare it to the vision for their future which is being proposed by Republicans in the Senate.

Mr. President, I am proud of this amendment, not because I think it is going to be adopted—I think it is going to be rejected basically on a party line vote—but I think we have presented a vision for America's future with which most Americans would agree.

First of all, we think the deficit is too high, and we propose to reduce the deficit by cutting spending. We reduce the deficit over 5 years \$322 billion more than the President did. We reduce the deficit over 5 years \$303 billion more than the House-passed version of the budget. In short, our budget reduces the deficit dramatically, and in the fifth year of this budget the deficit is half the level that Bill Clinton's budget proposed.

But we do more than cut the deficit. We try to reorder priorities. We try to let working families keep more of what they earn. And we do that by providing a \$500 tax credit for every American family that has children.

In 1950, the average American family with two children sent \$1 out of every \$50 it earned to Washington, DC. That same family today is sending \$1 out of

every \$4. We have stressed the budget of working families in order that Government could grow. What we propose today is to give back to families \$500 of their tax money that they were sending to Washington so that they can spend it themselves.

I know that the distinguished Senator from Tennessee and others will say, "Well, in the spending cuts, the freezes in your budget, you have cut spending growth for housing, nutrition, and education."

We did not cut spending on housing, nutrition, and education. We simply have changed who is doing the spending. The Senator from Tennessee would like the Government to do the spending. We would like the American family to do the spending. We know Government, and we know the American family, and we know the difference. We have absolute confidence that Government is going to squander this money, and we have absolute confidence that working families who love their children, who earn every dime they spend, if they get an opportunity to keep that money, they are going to invest it wisely in their future and in America's future.

Mr. President, there is only one form of bigotry that is still acceptable in America, and that is bigotry against the people who work, strive, sweat, and succeed. It is fundamentally wrong. I reject it. I deeply resent it.

I believe that people who work hard and succeed should be admired and not always attacked. I resent the fact that we are standing on the verge of rejecting a tax cut for middle-class America.

Let me cut through all the rhetoric, and get to the bottom line:

The distinguished Senator from Tennessee says do not give \$500 of tax credit for every child in America, and do not do it for two reasons: No. 1, people who make less than \$16,000 are not paying any income taxes anyway, and they will not get any of the benefits.

Well, my objective here is to help people who are paying taxes. I am tired of the only people we ever want to help around here are people who do not pay taxes. When do we start helping people who do pay taxes? We do a lot of things around here for very modest income families. I support many of those things. But it is about time we start doing something for middle-income families, the people who do the work pay the taxes, pull the wagon, and who make this the greatest and most successful country in history.

I reject the idea that working middle-class families ought not to get a \$500 tax credit per child because people who are not paying any taxes do not get a tax cut. We are trying to cut taxes for people who do pay taxes.

Finally, if you take every family in America who earns \$200,000 or more—America's most successful people—they only have 82,000 children. If I

thought I could get them to have bigger families, I would give them a tax credit. America needs more families who value ability, who encourage drive, who have vision, who yearn to succeed. The real point is that when less than 2 percent of the money from a tax credit may go to high-income people, to say that you are giving a "tax break to the rich" by having a \$500 tax credit per child so that working families can spend more of their money, is just simply outrageous and unfair. To deny this help to 51 million working, middle-class families so we can be absolutely certain that not a single wealthy person is eligible for a tax credit is ridiculous.

So what is the debate about? The debate is about a competing vision. Under the President's budget as modified by the Democrats in the Senate, what is going to happen is taxes will go up, spending will go up, the deficit temporarily goes down, and then goes up like a rocket to over \$300 billion in 10 years.

What we do in our budget is dramatically reduce the growth of Government spending. We take that savings, and we do two things with it: one, we reduce the deficit; and, two, we give part of it back to the people who earned it in the first place. We give much of it to working families, with a tax credit of \$500 per child.

We restore the deduction for interest on guaranteed student loans. Every day we have young people getting out of graduate school, getting out of medical school, who have huge guaranteed student loans. They go out and they make good money. We tax them very heavily. They do not get to write off the interest on the guaranteed student loan. It is a business expense, and they ought to be able to write it off. This is a benefit to working people who want to be successful.

The PRESIDING OFFICER. The Senator has used the time.

Mr. GRAMM. I urge my colleagues to look at these two competing visions and to support the one that is in the interest of the working men and women of America. I think if they do, it will be our vision.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise today in support of the Republican alternative budget resolution. Although news from the provinces sometimes arrives late in this city, surely we must all realize how hard it is for middle-class American families to provide for their children, to give them their material needs, and to provide for their nurturing and care. For most parents, time with one's family and crushing financial needs are at war with each other.

Like most of the problems that face middle-class Americans, Government is not much help. But we can provide help today by enacting this substitute amendment, and its tax credit of \$500 per child. That would amount to about \$80 per month for most families. That may not sound like much when we are talking about billions of dollars in a Federal budget, but it means a lot to the moms and dads out there. For a Government that loves best telling Americans what to do, when to do it, how, where, and with whom, it is a bitter pill. But there is no escaping the fact that parents know best what their children need, whether it is new shoes, new books, rules to follow, love and encouragement, or more vegetables. The family tax credit will take dollars out of the hands of big government and put it back in the hands of parents.

I want to talk about the second provision of this amendment, because it is a bill that Senator BARBARA MIKULSKI and I have introduced. Millions of American women willingly take on the challenge of raising children. They stay home to provide the constant contact and attention. But working for no pay hurts them financially. Not only do they have less to live on, but if they are able to put money aside for retirement, the Federal Tax Code penalizes them for that too.

If both spouses in a household work, they can set aside \$2,000 each, for a total of \$4,000. But if mom or dad stay home, they can only set aside \$250 more, for a total of \$2,250. That is approximately one-half the amount a two-income family can set aside. As you know, Mr. President, we have a marriage penalty in the Tax Code. This limited deduction is a family retirement penalty.

Our amendment corrects this discrimination against those who work inside the home by giving them equal IRA opportunities with those who work outside the home. Over 30 years at 6 percent interest, this provides up to \$150,000 more in security for the one-income earner family. This is private savings that will reduce the need for Government assistance later in life, a worry that can be particularly acute for women who work inside the home, especially when you consider the national divorce rate.

The Republican alternative budget cuts the deficit by \$318 billion over 5 years. That is almost one-third of a trillion dollars that we will not have to borrow, and that our children will not have to pay interest on in the next century. We can seize this opportunity now to put the brakes on runaway debt. We can do it now by approving the Republican alternative budget plan.

At the same time, we can reorder our priorities, which are way out of kilter in this country. We can recognize the enormous contribution of the stability

of families and the full-time homemaker and working mother, recognizing that work inside the home is every bit as valuable, if not more so, than work outside the home.

The Domenici alternative is not negative; it is positive. It cuts the deficit. It prioritizes our spending and puts the value where it ought to be: On the stability and security of the American family.

I thank the Senator from New Mexico [Mr. DOMENICI].

I yield the floor.

Mr. NICKLES. Mr. President, I wish to compliment my colleagues, Senator HUTCHISON, Senator GRAMM, and Senator DOMENICI, for their statements in support of this alternative. I think this is a positive alternative.

It is important to note for the RECORD, though, that neither one of these budgets cuts spending. Neither one of the budget alternatives we have before us cuts spending. I think we get so tied up in rhetoric and the use of current services baselines and projected CBO numbers that we forget the real facts and figures.

The real facts are, under the Democrats' budget, spending is going to rise from \$1.5 trillion to \$1.8 trillion over the next 5 years. In the Republican alternative, we slow that growth down significantly; but spending still grows from \$1.5 trillion to \$1.7 trillion. So spending goes up under our plan too, just not as fast.

I heard my colleague from Tennessee talking about the Republican substitute, that it gutted all of these social programs, and how catastrophic it would be to health programs. I looked at our health numbers, and this includes Medicaid. In 1995, we are going to spend \$118 billion on health programs. Under the Republican substitute, which supposedly guts Medicaid, health spending grows to \$150 billion—from \$118 billion, in 5 years. I heard my colleague from Tennessee say Republicans are gutting Medicare, and we are going to close hospitals. Under our plan, Medicare grows from \$154 billion in 1995 to \$210 billion in 1999.

So my point is that the Federal spending grows under both of these approaches, but it grows a lot less under the Republican approach—about \$322 billion less over the 5 years. That is significant. Then the Republican plan gives a tax credit to individuals, a \$500 tax credit per child, per dependent, under the age of 18. Very simple. Very fair. That is a tax credit people really need. We allow families to decide whether they will use that money for education, or for health care, or for braces. Individual families can make those decisions. If you have a family of four that is a \$1,000 reduction in the tax bill of people who happen to need that money. They can make the decisions on how to spend it.

My colleague from Texas, Senator GRAMM, was exactly right. Who do you



think can better make these decisions? Do you think Government should make these decisions concerning education, health, and housing? Or should individual families make these decisions?

We have two different visions here. We have one that will slow down the rate of growth in Federal spending. And this budget does touch entitlements. The Democrats' budget does not touch entitlements; it barely did last year. If you are going to allow half of the budget to grow without any restrictions whatsoever, I think that is very irresponsible. Any business that you look at, if they are running deficits would scrutinize their entire budget.

We are not doing that. This is a status quo budget. It does not touch entitlements. At least the Republican alternative slows down the rate of growth in some areas. Frankly, it still does not do enough. But under the Republican alternative, we have a significant reduction in the deficit every year. We do not end up at zero in 5 years, but we end up with less than \$100 billion. Under the Democrat version, the deficit estimate is \$174 billion in 1995. In 1999, it is \$192 billion. You see their deficit growing. Under the Republican version, the deficit declines from \$154 to \$99 billion. At least it is coming down, and it is in the right trend.

I think it is a significant alternative that I hope my colleagues will adopt.

Mr. DOMENICI. Mr. President, as I understood, by previous request, Senator GORTON is next. I think he wanted 3 minutes.

I yield 3 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington [Mr. GORTON], is recognized.

Mr. GORTON. Mr. President, there is a substantial, vitally important difference between the two budgets between which we will choose in the course of the next few hours. That of the majority looks backward. It congratulates itself over the proposition that the budget deficit is lower now than it was a year ago or 2 years ago—due, of course, to vastly increased taxes, and to a natural recovery in the economy.

This budget includes within it no plans to do any better. The alternative budget proposed by the Senator from New Mexico looks forward, looks to the proposition that if we are going to have national growth, if we are going to have good times, if we are going to have the progress, which is assumed in the budget that the majority has put before us, we ought to use that time to reduce the deficits, to stop borrowing against the future, however valuable or valid spending programs may be.

It is, however, only the Republican budget that looks to that proposition. The Democrat budget is based on testimony, which this Senator elicited from

Laura Tyson, the chairman of the President's Council of Economic Advisers, when she was opposing the balanced budget constitutional amendment. In response to a question after her criticism of that amendment, she said that this administration never plans to balance the budget, never shows a budget deficit of less than \$150 billion a year through 1999, or for that matter, through 2001, the year in which the balanced budget constitutional amendment would have taken full effect.

So what we have is a budget plan here which assumes that times will be good, that the economy will be growing, that there will be no recession between now and the end of the century and, nonetheless, never gives us a budget deficit of less than \$150 billion a year.

The Domenici alternative does. Budget deficits are much lower, as much or more than \$100 billion a year lower, and it provides for tax incentives for savings and investment and thus for growth in our economy, and for education through the deductibility of interest on student loans and for families.

This budget has been criticized for various spending cuts, but no alternative has been proposed. The only alternative that is a valid alternative is to pass the Domenici budget.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, frankly, I have two more Senators, but we have been doing all the speaking. They are going to arrive shortly. I do not want to use all our time waiting.

I wonder if we could put in a quorum call. Let us try it for now and charge it to both sides.

I suggest the absence of a quorum, and I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, how much time do we have remaining on each side?

The PRESIDING OFFICER. The Senator from Tennessee has 29 minutes; the Senator from New Mexico has 10 minutes.

Mr. SASSER. Mr. President, we heard a lot of speeches here this morning. Some of them have been very good, some of them have been accurate, some of them have been amusing, and some of them have been the contrary to those three adverbs.

But I was struck by something that my friend, the senior Senator from

Texas, had to allow today when he said that a budget is a vision, and then he went ahead to describe his vision of the budget that he is presenting here today, or the vision of the budget that he is supporting.

I will tell you what the reality would be of the vision that he is trying to foist onto the United States Senate today and onto the American people. The vision would create larger deficits in the outyears. The deficits would continue to grow and the red ink would continue to flow and the Treasury would continue to hemorrhage.

It is the same vision that the senior Senator from Texas espoused when he was a Member of the House of Representatives and helped put forth the Gramm-Latta budget proposal that set this country on the path of fiscal disaster. We are still reeling today from that faulty, faulty vision and proposal. We saw the deficits of this country go to unparalleled levels, unparalleled peacetime levels, during the 1980's in pursuit of that vision, and that vision is simply cut taxes for the wealthiest among us, and let everybody else fend for themselves, and let us do not worry about what occurs with the deficit.

We see it here again. Capital gains tax cuts benefit principally the wealthiest among us. I have nothing against wealthy people. I wish I were one of them. I hope someday I will be. But I think they ought to pay their fair share, and I do not think that they ought to pay less so that others can pay for them paying less through cuts in things like Medicare and Medicaid.

So we have it in here the capital gains tax cut that benefits the wealthiest. We have a backloaded IRA that benefits the wealthiest. And how do we pay for this revenue loss? We pay for it by cutting Medicare. We pay for it by cutting Medicaid. They would cut Medicaid by \$64 billion over the next 5 years. And you know what that vision would produce? It would produce higher taxes at the State level as State governments try to cope with their responsibility under the Medicaid provisions. It would produce rural hospitals going out of business and depriving people in rural and deprived urban areas of health care that was adjacent to their community.

They would cut Medicare and Medicaid together by \$144 billion over 5 years. What their vision is or what the vision of the Senator from Texas would amount to is a health care wasteland in this country, a health care wasteland, Mr. President.

It would mean that those who have private health insurance would see their premiums go up to make up for these cuts that are coming in Medicare and Medicaid. It would mean that those on part B Medicare would see their Medicare taxes go up. It would mean that employers who furnish their employees with health care policies

would see their premiums go up and, ergo, you would have fewer employers being able to afford it so you would have more uninsured employees.

What kind of vision is that? I submit, Mr. President, that that is a vision of a Medicare wasteland or a health care wasteland. That is a vision that is an anachronism in the modern society in which we live. That is a vision that might have been satisfactory in the 1920's but a vision that this country began to reject in 1932 and has continued to reject more or less ever since then.

Now, let us talk about the question that was raised about we need to do something about this family that in 1950 was sending \$1 out of every \$50 they earned to Washington and today is sending \$1 out of every \$4.

First, those figures in my view are highly suspect. I do not accept them as accurate. But just for purposes of argument, let us sort of strip it back and see what all that means. In 1950, we were at the lowest point militarily than we had been since the 1930's. This was prior to the Korean war buildup. So, we were not asking the American people then to pay for a substantial military budget.

In 1950, if momma or daddy at the age of 65 had to go in the hospital and they did not have any money, their daughters or their sons had to foot the bill. We did not have any Medicare in 1950. In 1950, if you were a poor person, you either got no health care or you were dependent on the kindness of strangers or the kindness of a physician somewhere. There was no guarantee, no assurance that you could get health care in 1950.

In 1950, if you were a person of modest means and you wanted your child to go to college, either you had to foot the bill or you could not go. There were no college loan programs or student loan programs in 1950.

In 1950, there were no clean water bills, so there were no wastewater treatment plants and you just dumped a lot of sewage into the river and into the creeks and continued to pollute. I could go on and on.

Does anybody really want to go back to 1950? Is that the vision that we are talking about here? Sometimes I think that is the vision of the senior Senator from Texas.

But I say to you, Mr. President, that does not even pass the Dicky Flatt test. I will bet that if you called up Dicky Flatt and said, "Dicky, do you want to go back to 1950?" I will bet, when you described it to him, Dicky Flatt would say, "No, I don't believe that would pass my test. I don't believe I want to go back to 1950."

So, when we talk about vision, what we are talking about in the vision of this budget that we have before this United States Senate is a vision of staying the course, a vision of being re-

sponsible, a vision of making the hard choices and assigning the proper priorities.

That is what we are doing. That is the reason that these irresponsible deficits of the 1980's are coming down. That is the reason we are having to cut some programs that the American people want and need, because we are bringing these deficits down and we are having to cut those programs to pay for the irresponsibilities of the 1980's and the vision of those who were in control of the budgetary priorities of this country at that time.

Mr. President, this budget that we have before us today is a budget that will continue the prosperity that the American people are now just starting to sense and to understand; will give energy to the economic recovery that we are now seeing with us presently and more of it out there on the horizon. Oh, the figures are very encouraging. Because of this Deficit Reduction Act that we passed last year and this stay-the-course budget that we present to the Senate today, we are creating jobs.

In 1993, we created 1.9 million jobs, more jobs than were created under the previous 4 years under the vision of others; in 1993, more increase in real disposable per-capita income in 1 year than in the previous 4 years, all because of the Deficit Reduction Act of last year and the stay-the-course budget that we are presenting to this body today.

I admire Dr. Alan Greenspan. He is a very intelligent, highly educated man. I disagree with him on a lot of fundamental economic policy and he knows that, but I respect him immensely. Dr. Alan Greenspan, a conservative Republican economist appointed by President Ronald Reagan, said before the Joint Economic Committee of this Congress in February of this year that the economic outlook for our economy was better than it has been in 20 or 30 years—20 or 30 years.

Now, that is the product of the vision that is in this particular budget that is before this body today; not a budget that runs out here and promises a tax cut here and a tax cut there, knowing it is irresponsible, knowing we cannot afford to pay for it. I believe the American people see through that. They understand that there is no free lunch. They understand that we have got to be responsible and we have got to pay our way.

And, Mr. President, that is what this budget before us does today. And it does it without gimmicks. It does it without using things like asset sales. That is selling your seed corn, Mr. President. It would be just like a farmer selling the corn that he is going to plant in the spring of the year, selling it that fall to get through the winter. What happens when the spring comes and there is no corn to plant?

So, Mr. President, I think we do have two conflicting visions here. I think the senior Senator from Texas is right. We have a vision of a budget that is being presented here by the majority that is responsible, that assigns the proper priorities, that makes the tough choices; a budget of discipline so that we can continue the economic recovery that is well underway, so that we can see this recovery continuing out to the year 2000, continued noninflationary economic growth as the economists are predicting. It is going to occur because we are taking responsible, measured decisions to try to deal with this deficit and reverse the excesses that occurred years ago, perpetrated by those who had a different vision of what the budget should look like, what the economy should look like, and what the Government of this country should do.

So, Mr. President, I rejoice in this contrast of visions, because I think if the American people can see both of these visions for what they are, they are going to accept the vision that is in the budget proposed by the majority here, the budget proposed by the President, and I think they are going to reject the vision that is proposed in the alternative offered by our friends from the other side.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Tennessee has 13 minutes remaining.

Mr. SASSER. I thank the Chair.

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Mexico has 10 minutes remaining.

Mr. DOMENICI. I yield 3 minutes to Senator LOTT from Mississippi.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LOTT. Mr. President, I thank the distinguished Republican leader on the Budget Committee for yielding me this time.

I know the time is all running out. I do have some points I would like to make, but it is hard to stay on what I had planned to present here in this 3 minutes, after having listened to the presentation from the Senator from Tennessee.

I think we have just heard a perfect prescription and description of what is in the Budget Committee's resolution; that is, the solution is Government: Government can do it all. The private sector cannot handle it. Let the Government move in and take over every program.

Comments were made, "We can't afford to let the people have tax cuts." Now listen to that. We are saying to the people that we cannot afford to let you keep your money. No, because we have to bring it up here and spend it in Washington.

Yes, there is a clear difference in vision. And the only place where you are



going to get a vote for the vision you just heard described is on the floor of the U.S. Senate. The American people would not vote for that vision.

Let me talk first about the Clinton package. The most notable thing about it is what is missing. There are no real spending cuts. There is no credible deficit reduction, no economic growth incentives, and certainly true reflections of the Nation's spending priorities are not in this budget.

Now, why do I say that? First of all, with over 5 years in new spending initiatives, the President's budget would be up \$127 billion. Oh, there are a few little small cuts suggested this year, but a couple of things happened. The President turns around and recommends that they be spent in other areas. Even where the President took a courageous stand in several instances, the Budget Committee said, "Oh, no, we can't afford to have cuts there," and the Budget Committee took back those spending cuts.

The American people need to know that this courageous budget we just heard described will add almost \$2 trillion to this Nation's debt over the next 5 years. Remember that now. If there is such courageous deficit reduction here, why is the debt going to go up another \$2 trillion? So there is no credible deficit reduction here. There are no economic growth incentives. What else is missing is no provisions for the health care reform, no provisions for the cost of welfare reform, and many of the important crime initiatives are not provided for in this package. So I describe the Clinton budget and the Budget Committee recommendation as a hide and seek budget, because you really have to look to find what is in there. And many of the important things are not in there.

The alternative that we have proposed for the Senate to consider, I think, is a very good one. It has tough but credible, responsible deficit reduction, 60 percent of it on the entitlement side and 40 percent on the domestic discretionary side.

I urge my colleagues to look very seriously at this alternative. The American people would support this Republican alternative. Why do I believe that? Because, as I said before, with the President's and Democrat's budget I feel a bit like I am playing one of my favorite games—hide and seek. I am seeking several things in this budget for our Nation: Real spending cuts, deficit reduction, and economic growth incentives. I would also like to find the Nation's priorities—crime reduction, welfare reform, and health care reform—reflected in our Federal spending. Unfortunately, each of these components are hiding—very well—or, more likely, not there at all.

I have looked hard for some real spending cuts. They are not in this budget. The administration claims to

cut 100 domestic discretionary spending programs and eliminate 115 others. In reality, when Defense is factored out, domestic discretionary spending actually increases. Even if you include the drastic Defense cuts, the spending cuts total \$5.5 billion—a spending cut of 0.36 percent of the \$1.52 trillion budget. That's hardly a drop in the bucket—only one-third of 1 percent of the total budget.

The economy is not booming, but it is definitely in a recovery. Now is the time to take advantage of this and cut spending while the economy is strong.

In reality, the budget proposed by the President proposes higher spending in each of the next 5 years. The proposed terminations and reductions in fiscal year 1995 amount to \$5.5 billion while the new spending amounts to \$8.2 billion. Over the next 5 years, the budget increases spending on various programs by \$127 billion. Federal budget outlays will increase 17.1 percent from fiscal year 1994-98.

The Senate passed budget resolution does include additional cuts to discretionary spending. It is doubtful these cuts will survive on the Senate floor. If they do, I doubt they will survive the conference because the House passed resolution does not include any additional cuts. While I fully support additional spending cuts, I do believe we must be careful where we cut.

I am concerned about this amendment because it does not specifically state that the cuts will not come out of Defense.

The President said in his State of the Union Address that we must "hold the line on Defense" and not cut it any further. I agree with the President. We have cut Defense too much and too fast. Now is not the time to reduce it more. I hope we will have the opportunity during the floor debate to modify the committee passed amendment to specify that the spending cuts be made—but not at the risk of our national security. As the situations in North Korea, China, Bosnia, and Somalia prove, the world is not yet a safe place.

This annual deficit spending has an outrageous effect on our national debt. The debt at the end of fiscal year 1993 was \$4.351 trillion. By the end of fiscal year 1999, this debt is projected to be \$6.305 trillion. The projected growth in national debt over the 6 years for which the President has submitted budgets is \$1.954 trillion. This looks pretty much like business as usual to me—more deficits adding to our national debt.

The deficit projections in this budget are lower. But, are they real? What is alarming is that these projections don't include funding for health care, welfare, or many of the necessary crime initiatives. Additionally, there are no funds for GATT, Superfund, the

Bottom-Up Review shortfall or disaster relief.

Since 1989, we've had the San Francisco earthquake, \$3 billion; Hurricane Hugo, \$3 billion; Hurricane Andrew, \$9 billion; Midwest flooding, \$5 billion; and the L.A. earthquake, \$10 billion. Buried in these relief programs are all kinds of congressional pork. At this rate, we have basically set up another Federal entitlement and we may as well budget for it.

When these issues are addressed in one way or another, I fear these deficit projections will go out the roof.

#### ECONOMIC GROWTH INCENTIVES/JOBS

We have heard a lot about the lower deficit projections. While I believe this is due to our recent economic growth. I do not think we should focus on who gets the credit for what. We must look forward and enact policies that will best position our Nation for economic growth.

This budget does not contain any growth incentives, which are the only way to create real, lasting jobs. The President attended a jobs summit in Detroit last week. Why? Because we have not seen the necessary job creation.

In his State of the Union Address President Clinton boasted about the creation of 1.6 million new jobs during his first year in office. While this figure is better than no job creation, it represents a much smaller increase than usually experienced. At this stage in an economic recovery, 33 months after the low point of the recession, total employment traditionally has increased by an average of 9.2 percent.

Even including the 1.6 million jobs created last year, total employment has climbed by just 2.5 percent since the bottom of the recession—far below the average.

With higher payroll and income taxes, new mandated benefits, added regulatory burdens, and the uncertainty over health care, employers today have been much more cautious. The job market's lackluster performance indicates Government policy is inhibiting job creation.

#### FAMILIES

In addition to providing incentives to businesses to create jobs, I believe we should do something for families who are really carrying the tax load. While I have been looking, I am not sure what the President's proposed budget has in it for families.

#### NATIONAL SPENDING PRIORITIES: CRIME

The rise of violent crime in this country is forefront in almost every American's mind. Yet, this budget is sorely lacking in its crime proposals.

For everything it "giveth, it taketh away"—the rhetoric does not match the reality.

The President proposes cutting \$600 million from existing law enforcement and anticrime programs. The budget

cuts the DEA—surveillance airplanes, high speed ships—organized crime, the U.S. Parole Commission, the INS, the ATE, the IRS, the Customs Agency, the Coast Guard, the Office of National Drug Control Policy, and the FBI. It also proposes the elimination of the Edward Byrne Formula Grant Program, which is an essential source of funds for multijurisdictional narcotics task forces that are the main defense against drug traffickers at the local level.

What does the budget do in the crime area? The budget only earmarks three provisions of the Senate crime bill for funding and yet, it proposes a 30-percent cut in prison construction and increases the civil rights and environmental law divisions at Justice. It increases funding for the Legal Services Corporation by \$100 million and it funds \$100 million in grants to States for criminal record upgrades to implement the Brady bill. Additionally, it does fund 50,000 additional police officers on the street, \$1.7 billion; \$300 million for immigration control, including greater enforcement of sanctions on employers; and it proposes \$303 million in unspecified crime control.

I believe we must make some radical changes to the President's proposed budget. We can—and should—do better.

#### REPUBLICAN ALTERNATIVE

For that reason, I fully support the Republican alternative. I believe it charts a much better course for our Nation's future. It addresses each of the areas I have discussed where the President's budget is lacking.

In terms of real spending cuts, we propose \$318 billion, \$287 in policy savings and \$31 billion in interest savings. This is \$322 billion more in deficit reduction than the President proposed. In 1999, the Republican alternative budget proposes a deficit of \$99 billion—\$106 billion less than the \$205 billion deficit projected by the Clinton budget in 1999.

This would allow President Clinton to fulfill his campaign promise to cut the deficit in half in 4 years.

In addition to reducing the deficit through spending cuts, our alternative provides relief to families and offers incentives for real, sustained economic growth.

Our plan would help President Clinton keep another one of his campaign promises—a \$500 per child tax credit for families.

No, this is not a tax break for the rich. This would benefit over 51 million children. This credit would be available to every family with children in the Nation—not just middle to high income families as many of my colleagues have stated. The median income of a family in my home State of Mississippi, is \$24,448. Is that rich I ask my colleagues?

It is important to note that 86 percent of the children in the country are

in families with incomes less than \$75,000. The credit is available to children of two-parent and single-parent families.

This tax credit will benefit families on the lowest end of the income scale because it is designed to offset either income or payroll taxes, much like the EITC. Thus, anyone who is working, regardless of their income tax liability, could benefit from this tax relief.

This bill puts money back in the hands of the American family—they are carrying the tax load. This will directly impact the lives of approximately 51 million children. One may make partisan arguments about how the tax burdens have shifted over the years—but no one will dispute the fact that families were hit hard by the Tax Code.

In 1950, a family of four with an average income paid only 2 percent of its annual income to the Federal Government while today that family pays 24 percent in income and payroll taxes. When State and local taxes are included, the tax burden exceeds one-third of the family's income. In 1950, close to 80 percent of family income was protected from Federal income tax through the personal exemption. Today the personal exemption only shields 20 percent of that income.

Since 1960, a family with 2 children has seen their tax burden increase 43 percent—and a family with 4 children has seen a rise of 223 percent.

#### ECONOMIC GROWTH INCENTIVES

The Republican alternative also provides real incentives for economic growth. It would: Index capital gains; allow for capital losses on the sale of a principle home; provide for neutral cost recovery; and create a new IRA and allow penalty free IRA withdrawals for education, medical expenses, and first-time homebuyers. It would allow equality for spouses as well.

Additionally, it would extend the R&E tax credit for 1 year. It would also assist people trying to get an education by restoring the deductibility for interest on student loans and providing for a 1-year exclusion of employer provided educational assistance.

The alternative reflects our national priorities by funding the Senate crime bill, providing \$22 billion for anticrime measures. It also funds the \$20 billion defense shortfall acknowledged by the Pentagon.

#### CONCLUSION

This amendment clearly offers Senators a choice between two very different approaches to Government. I am proud to stand for the alternative which includes additional spending cuts and deficit reduction, tax relief for Americans, and incentives for real economic growth.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I modify my allotment of time and give

1½ minutes to the Senator from Alaska [Mr. STEVENS], and 1½ to Senator GRASSLEY.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1½ minutes.

Mr. STEVENS. Mr. President I am delighted to share the time left with my good friend from Iowa. I was surprised here, a moment ago, to hear the Senator from Tennessee talk about the number of jobs created in 1993. Those jobs were created because of several years of good monetary and fiscal policy reducing the interest rates. Now I think the people on the other side of the aisle ought to look and see what is happening now under the Clinton administration's policies—interest rates are going up.

I support the Republican alternative budget resolution offered by my good friend from New Mexico for three reasons: It includes greater deficit reduction than President Clinton's proposal; it fully funds the Department of Defense's Bottom-Up Review force structure, and it addresses the growing problem of entitlements.

Over the next 5 years, the Republican alternative would result in more than \$322 billion in deficit reduction over the President's plan. It would reduce the deficit to \$99 billion in fiscal year 1999 ultimately providing \$318 billion in deficit reduction over 5 years. That is \$106 billion less than the 1999 deficit projected under the Clinton Plan.

In addition to greater deficit reduction, the Republican alternative includes an additional \$20 billion to fully fund the Department of Defense's Bottom-Up Review force structure. The Bottom-Up Review was prepared by the Department of Defense outlining the restructuring and minimum financial resources needed to ensure this country's military preparedness. It is the blueprint of how the steep downward trend in defense spending through 1999 will be accomplished. Recently the Chief of Staff of the Army, said, "The fiscal year 1995 budget is our tenth consecutive budget representing negative raw growth." He is talking about Defense real growth. Although President Clinton funded the review in fiscal year 1995, his budget fails to fully fund it in fiscal year's 1996-99. Unless we sustain the force levels assumed in the Bottom-Up Review we can expect the President not to have the flexibility to deal with contingencies such as Bosnia, another Desert Storm or Korea. Failure to have a 10 division Army, 20 Airforce wings and 350 Navy combatant vessels leaves the country unable to lead in international crisis. In hearings before the Defense Appropriations Subcommittee, all the members of the Joint Chiefs have testified that we are at the edge—deeper cuts will destroy our ability to meet the two Major Regional Conflict scenario envisioned by the Bottom-Up Review.



In addition to reducing the deficit and funding crucial defense spending, this proposal begins to address the spiraling growth of entitlement spending. Approximately 56 percent of the savings in this plan comes from changes in mandatory and entitlement spending. This deficit reduction package includes \$162 billion over 5 years in discretionary cuts in Government programs and \$213 billion in mandatory spending cuts. Without facing the fact that entitlement spending must be addressed—serious deficit reduction will never take place.

Last month during consideration of the balanced budget amendment I spoke about the need to reform our entitlement spending which accounted for over 61 percent of all Federal spending in fiscal year 1992. I voted against the balanced budget amendment, in part, because it did not include any requirement to reform entitlement spending. It did not set up a procedure to address the problem of "uncontrollable spending." Under current law, most of the cuts required by the balanced budget amendment would have come out of Government programs and services from airport control to weather service to Coast Guard search and rescue to national defense. I believed that was not in the best interest of our country's national security.

The Republican alternative is a blueprint for serious deficit reduction. It contains reductions in entitlement spending as well as cuts in other Federal programs. This proposal contains specific reforms that if adopted will result in deficit reduction exceeding both the President and the House's proposed budgets.

Incidentally, I would like to commend the drafters of the Republican alternative for including a provision to lease the Arctic National Wildlife Refuge [ANWR]. One-half of the receipts would be deposited in the Federal Treasury and the other half would be paid to the State of Alaska as required under the Alaska Statehood Act. The opening of ANWR is one example of how the Federal Government can better manage its resources to help reduce the Federal budget deficit.

In the final analysis the cuts found in the resolution before the Senate from the majority will cut national defense. The Republican alternative budget resolution is what this country needs to put it back on the path of fiscal responsibility.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 1½ minutes.

Mr. GRASSLEY. Mr. President, I want to offer my strong support to a middle-class tax cut for the family, which is in the Republican alternative. It is time to start giving back to families what is rightfully theirs.

If the dependent exemption had kept up with inflation, it would be near

\$7,000 by now, instead of the \$2,350 one that exists.

A new \$500 tax credit for each dependent in every family will help the President keep his promise to cut middle-income taxes.

This amendment is the latest in a series of attempts to achieve family tax relief. Besides legislation I have introduced in the past, the Budget Committee voted for a resolution of mine 2 years ago in support of family tax relief. Congress later passed a family tax credit that was part of a vetoed bill.

A \$500 tax credit will send billions of dollars directly back to families. Families in my State of Iowa will get over \$300 million back. In the chairman's State of Tennessee, families will get direct tax relief in the amount of over \$470 million.

Instead of throwing more money at Government bureaucracies, we need to let people keep more of their own money and use it in a way that is best for them. Not in the way that the Government says is best for them. People are sick and tired of hearing from some Government bureaucrat who says I am from the Government and I am here to help you.

So, Mr. President, now is the time for all of us here to start giving people back the money that Congress has been taking away from them. We can never give Government back to the people as long as we continue picking their pockets. If you really support family tax relief, now is the time to vote for it.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. DOMENICI. We have 4 minutes remaining, is that correct?

The PRESIDING OFFICER. The Senator from New Mexico has 4 minutes remaining.

Mr. DOMENICI. How much time does the chairman have?

The PRESIDING OFFICER. The Senator from Tennessee has 13 minutes remaining.

Mr. DOMENICI. Is it possible the Senator could use some time while I wait for our leader? It would be helpful to us.

Mr. SASSER. Of course.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. SASSER] is recognized.

Mr. SASSER. Mr. President, it has been suggested here on the floor that there are no provisions for health care or welfare reform in the budget being presented here by the majority. There are no provisions in the alternative before us either. In both versions they are included through reserve clauses. That is how we deal with these matters in a budget resolution. We simply create a reserve clause for health care or welfare reform or whatever. That allows the committee of competent jurisdiction, or of appropriate jurisdiction, to take up that particular subject and

to produce a deficit-neutral provision with regard to that particular item.

For example, in the case of health care, because of the reserve clause in this bill, should the Finance Committee choose to produce a health care reform bill, they are free to do it under this budget on either side, as long as it is budget neutral. So the two are similar in that particular way.

The statement was made a moment ago that perhaps we could afford a tax cut at this time. I wish we could give our citizens a tax cut. We gave a lot of our citizens a tax cut when we passed the Budget Act last year. There was a lot of discussion at that time about the fact that we were passing nothing but a tax bill, that everybody was going to get their income taxes raised.

I did a study—I did not do it, the Treasury Department did a study of the taxpayers in my native State of Tennessee. We have something akin to about 2 million individual income tax filers down there. Interestingly enough, the Treasury study indicated that 1 percent of that group was going to see their taxes go up. It also indicated that 16 percent of those who filed in my native State of Tennessee were going to see their taxes go down; 20,000 people would see their taxes go up; 305,000 people would see their taxes go down. And the overwhelming majority, over 80 percent, those in the middle, would see their income tax liability not change at all.

I would like very much to be able to give middle-income citizens another tax cut. I look forward to the day when that will come. But we cannot do it until we can do something about these very severe deficits we have been trying to deal with over the past few years. We have made very, very substantial cuts. We have cut spending in mandatory entitlement programs, in Medicare, in Medicaid, cuts in other entitlements which I lined out in detail to the Senate yesterday. Discretionary spending, the other portion of the budget, will be at its lowest level as a percentage of gross domestic product next year than at any time since 1940. Domestic spending next year is going to be lower than it was last year. I am talking, Mr. President, about not lower on a CBO baseline factor; I am talking about lower in nominal dollars, in actual dollars. We are lowering domestic spending from year to year, and that is the first time that has happened since 1969. Bear in mind, 1969 is the last time that we had a balanced budget in this country.

So we are cutting spending. We have cut the fat and, in some cases, we are now cutting right into the muscle.

We simply cannot get in the posture of, I think, at this time doing what we like to do, and that is come forward with a tax reduction for middle-income people, until we can get our deficits under control somewhat better.

Mr. President, may I ask how much time we have remaining?

The PRESIDING OFFICER. The Senator from Tennessee has 6 minutes 20 seconds remaining. The Senator from New Mexico has 3 minutes 52 seconds remaining.

Mr. SASSER. Mr. President, I yield the floor to my distinguished friend from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. We have 4 minutes?

The PRESIDING OFFICER. Four minutes remaining.

Mr. DOMENICI. Mr. President, I yield myself 2 minutes and, hopefully, Senator DOLE will arrive shortly.

I just want to remind everyone that if we take one more look at this chart, the stay-as-you-go budget with reference to future generations and what kind of legacy we are leaving them is described right here in these two bar graphs. The stay-as-you-are, steady-as-you-go, everything-is-going-great approach shows that the entitlements and mandatory expenditures of this Government from 1995 to 1999 will go up from \$843 billion to \$1.99 trillion. At the same time, the nondefense discretionary will go from \$249 billion to \$283 billion, a \$45 billion increase.

Mr. President, that is not what we ought to be doing in good economic times if we want to rid our future generations of this taxation without representation that is represented by a growing debt.

Second, I do not know what would be said on the other side if they could not speak of the rich and the poor. It seems like, to be fair with everyone, including those who are wealthy in America, we have to always hear an argument that unless it hurts them, it cannot possibly help the poor. Frankly, I do not think anyone believes that. It makes nice rhetoric.

The PRESIDING OFFICER. The Senator has spoken for 2 minutes.

Who yields time?

Mr. DOMENICI. I yield as much time as I possibly can, without the chairman taking away what little time he has, to the Republican leader.

How much does that mean the leader can speak?

The PRESIDING OFFICER. The Senator has about 1 minute remaining.

Mr. DOLE. Can I use 2 minutes of leader's time?

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Republican leader.

Mr. DOLE. Mr. President, after years of having Democrats declare Republican budgets dead on arrival, or D-O-A, Senator DOMENICI has called President Clinton's first complete budget "missing-in-action." It is missing measures to control the deficit. It is missing the tough decisions about entitlement spending. And, it is missing funding for the President's biggest new

spending initiatives. But before the American people get too discouraged, I can assure them that there is a choice: One budget plan does contain the tough calls on spending; that is the republican budget plan. I thank my colleague from New Mexico, Senator DOMENICI, for his efforts and the efforts of Republicans on the committee.

Our plan cuts President Clinton's 1999 deficit in half. And we do it without any tax increases and without any cuts in Social Security. The Republican recipe for deficit reduction is simple—tough, enforceable, balanced cuts in Federal spending.

And, while the President wants us to invest in more Big Government and more bureaucracy, Republicans make a real investment in America's future by providing much-needed tax relief to working families and children.

The Congressional Budget Office, the President's hand-picked budget scorekeeper, estimates that if the President's budget were adopted, the deficit would move down from \$223 billion this fiscal year to \$174 billion in fiscal year 1996, then move right back up again to more than \$200 billion in fiscal year 1999 and even higher in future years. The budget resolution reported out of the Budget Committee is an improvement over the President's budget. Over 5 years, the projected deficits are more than \$43 billion lower than the levels set in the President's budget.

After all the tough talk we heard last year about the importance of reducing the deficit, and after all the appeals from the American people to "cut spending first," the White House has consistently opposed any additional spending cuts for deficit reduction. Republicans are not satisfied with \$200 billion deficits as far as the eye can see, and we believe we can do better.

As indicated, under the leadership of Senator DOMENICI and the Republicans on the Budget Committee, Senate Republicans have put together an alternative budget that makes progress in cutting the deficit without any new taxes and without any cuts in Social Security.

Over 5 years, the Republican plan cuts the deficit by more than \$300 billion below the President's budget plan and more than \$275 billion below the Senate Democrats' budget plan.

Mr. President, the Republican alternative demonstrates that Republicans are serious about offering entitlement and discretionary spending cuts to reduce the deficit. Our plan would get the deficit down to \$99 billion by 1999. That is more than \$100 billion lower than President Clinton's 1999 deficit and more than \$90 billion lower than Senate Budget Committee's 1999 deficit.

Mr. President, budgets say a lot about priorities.

Because working families and children are a priority for Republicans, our plan contains a number of provisions

aimed at providing tax relief to working families.

We believe that inflation is a tax that erodes the value of your assets—whether it is your home, your small business, your family farm, or your investments. To protect these assets from the corrosive effects of inflation, and to unleash new investments, our plan would index capital gains.

Maintaining a strong national defense is a Republican priority. The administration's own defense experts calculate a shortfall of at least \$20 billion in the Clinton defense plan. And while the President used his State of the Union address to announce that he would make no further cuts in Defense, his budget plan forces our military to eat that \$20 billion shortfall. This is a hidden cut on top of the \$127 billion cut the President has already applied.

The truth is that the Republican alternative is the only budget that provides what the President's own defense experts say they need.

The Republican alternative backs up the tough talk about crime-fighting by fully funding the violent crime trust fund with \$22 billion over 5 years. This money will hire more cops, make our schools safer, put away violent criminals, and slam shut the revolving prison door.

The American people want us to make the tough decisions needed to get the deficit under control. This plan demonstrates that Republicans are willing to make the tough calls and set priorities, not just with words but with our votes. We are willing to cut back Government programs in order to make continued progress to reduce the deficit, provide tax relief for working families, provide the funds needed for a strong defense and a tough crime-fighting package.

I urge my colleagues to vote for our approach—less spending, less Government, lower deficits, tax relief for working families, and a stronger, more secure America both at home and abroad.

Mr. ROTH. Mr. President, the budget alternative we are proposing today returns us to the promises President Clinton made during his campaign. Leading up to his election, President Clinton was clear about his desire to offer middle class Americans a tax cut. President Clinton was also determined to cut the deficit in half during his first term in office. Well, Mr. President, this is exactly what we propose today with this alternative.

This bill will reduce the deficit by \$318 billion over the next 5 years. It will provide middle class tax relief, and it offers incentives that America needs right now to save and invest for the future. This alternative represents a real cure for the tax-as-usual, spend-as-usual virus that seems to be contagious around these parts. This alternative brings together some of the best ideas



of both parties—proposals that have found strong support in this body before.

In fact, this alternative mirrors a proposal I introduced with Senator Lloyd Bentsen—now our Secretary of the Treasury—back in 1991. It offers tax credits for children and expansion of individual retirement accounts. Each of these proposals has found strong support on both sides of the aisle. As currently written, this plan will benefit some 52 million Americans, giving them a \$500 tax credit for dependent children. In Delaware alone, more than 180,000 families will benefit from a tax break of more than \$85 million. In Delaware and all across America, millions more will benefit from the IRA program, a terrific vehicle for encouraging Americans to save.

Savings equals investment; investment equals economic expansion; economic expansion equals jobs; and jobs equal a secure future for our families and our Nation. It is a simple equation. And under this bill, up to a \$2,000 tax deduction would be available for all Americans, including spouses who work at home. This bill also expands the usefulness of the IRA, allowing it to better serve our families. Early withdrawals can be made to pay for education costs, to buy a first home, to cover medical bills or expenses during long-term unemployment. Again, Senator Bentsen and I championed these changes for years before he was picked by President Clinton to run the Treasury.

Mr. President, there are many components of this alternative that will be beneficial to Americans. It is the right medicine at the right time. History has proven that our economy does best when taxes are cut and when spending is controlled. This is no secret held by one party or the other. President Kennedy successfully cut taxes to spark the economy in the 1960's. In much the same way, President Reagan created record-setting job growth in the 1980's. President Clinton appeared to understand this when he was campaigning. Americans believed him. This is the opportunity to make good on those promises.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. SASSER. Mr. President, I will be very brief. I will not use the 3 minutes.

Mr. President, to sum up, in essence what this Republican alternative does to the majority budget, it simply cuts taxes, reduces revenues, and the principal tax cuts are the time-honored capital gains tax cut which we know from past experience inures primarily to the benefit of those in the upper income brackets.

It also includes a back-loaded IRA which also inures primarily to those in

the upper income brackets. It includes a \$500 child credit which is not capped, so a family making a million gets the same credit as one that makes \$30,000 and one that makes \$16,000 or less gets no credit at all under this particular proposal. It pays for all of these tax cuts that are primarily aimed at upper income taxpayers, it pays for these tax cuts by cutting Medicare and Medicaid by \$144 billion over the next 5 years. This is simply going to mean that many rural and urban hospitals are going to go out of business. It is simply going to mean that private health insurance premiums are going to go up because employers and employees who have private health insurance are going to have to make up the difference from these Medicare and Medicaid cuts.

It also pays for these tax cuts with cuts in discretionary spending, cuts that affect the infrastructure, cuts that affect a whole host of programs.

And interestingly enough, I know that many of my colleagues on the other side of the aisle are worried about cuts in military spending. Well, looking at the discretionary allocation in the Republican alternative, we find that outlays in discretionary spending are cut \$118 billion over the next 5 years under that in the majority budget. Now, we all know where those cuts are going to take place—75 to 80 percent of those cuts in discretionary spending, if they were enacted, would take place in the military budget.

Now, that may be all right with a lot on my side of the aisle, but those on the other side of the aisle who have been constantly concerned about cuts in the military budget, if their budget is enacted, should it become the governing force here, then we are going to see very, very substantial cuts in military spending below those proposed by the President.

Mr. DOMENICI. Mr. President, might the chairman yield for a question on that?

Mr. SASSER. I will be pleased to yield.

Mr. DOMENICI. I believe the Senator is mistaken. I believe the Republican alternative has the fire walls in so I do not think the situation just alluded to could happen as a matter of law.

Mr. SASSER. It is my understanding that it is a sense-of-the-Senate fire wall resolution.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. It is because of a 60-vote majority, so it is a sense of the Senate.

Mr. SASSER. But it would not be effective really in safeguarding the discretionary spending from being raided.

Mr. DOMENICI. The Senator is correct.

Mr. SASSER. Mr. President, has all time expired?

The PRESIDING OFFICER. All time has expired.

Mr. DOMENICI. Mr. President, might I have 30 seconds on a different issue?

Yesterday, I think the Senate under the leadership of Senator GORTON with all Senators voting in favor accomplished something. The administration has changed its mind on the Byrne grants and had the Attorney General appear before Appropriations and say the Senate is right. I congratulate Senator GORTON. They are going to find other cuts so that the Byrne grants helping our cities and States to fight illegal drugs can be fully funded.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

The question now is on agreeing to amendment No. 1560 offered by the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 42, nays 58, as follows:

[Rollcall Vote No. 66 Leg.]

#### YEAS—42

Bennett	Faircloth	McCain
Bond	Gorton	McConnell
Brown	Gramm	Murkowski
Burns	Grassley	Nickles
Coats	Gregg	Packwood
Cochran	Hatch	Pressler
Cohen	Hatfield	Roth
Coverdell	Helms	Simpson
Craig	Hutchison	Smith
D'Amato	Kassebaum	Specter
Danforth	Kempthorne	Stevens
Dole	Lott	Thurmond
Domenici	Lugar	Wallop
Durenberger	Mack	Warner

#### NAYS—58

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boren	Harkin	Murray
Boxer	Hefflin	Nunn
Bradley	Hollings	Pell
Breaux	Inouye	Pryor
Bryan	Jeffords	Reid
Bumpers	Johnston	Riegle
Byrd	Kennedy	Robb
Campbell	Kerry	Rockefeller
Chafee	Kerry	Sarbanes
Conrad	Kohl	Sasser
Daschle	Lautenberg	Shelby
DeConcini	Leahy	Simon
Dodd	Levin	Wellstone
Dorgan	Lieberman	Wofford
Exon	Mathews	
Feingold	Metzenbaum	

So the amendment (No. 1560) was rejected.

Mr. DECONCINI. Mr. President, I move to reconsider the vote.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut [Mr. DODD] is recognized to offer an amendment.

## AMENDMENT NO. 1561

(Purpose: To increase the Federal share of education funding for individuals with disabilities by \$6 billion in fiscal year 1995 and \$30.5 billion over 5 years)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself and Mr. JEFFORDS, proposes an amendment numbered 1561.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, line 17, increase the amount by \$6 billion.  
 On page 24, line 18, increase the amount by \$0.7 billion.  
 On page 24, line 25, increase the amount by \$5.5 billion.  
 On page 25, line 1, increase the amount by \$4.7 billion.  
 On page 25, line 8, increase the amount by \$5 billion.  
 On page 25, line 9, increase the amount by \$5.4 billion.  
 On page 25, line 16, increase the amount by \$6.5 billion.  
 On page 25, line 17, increase the amount by \$5.3 billion.  
 On page 25, line 24, increase the amount by \$7.5 billion.  
 On page 25, line 25, increase the amount by \$6.3 billion.  
 On page 10, line 3, decrease the amount by \$1 billion.  
 On page 10, line 4, decrease the amount by \$0.5 billion.  
 On page 10, line 10, decrease the amount by \$1.6 billion.  
 On page 10, line 11, decrease the amount by \$1.2 billion.  
 On page 10, line 17, decrease the amount by \$2 billion.  
 On page 10, line 18, decrease the amount by \$1.7 billion.  
 On page 10, line 24, decrease the amount by \$2.4 billion.  
 On page 10, line 25, decrease the amount by \$2.2 billion.  
 On page 11, line 6, decrease the amount by \$2.5 billion.  
 On page 11, line 7, decrease the amount by \$2.4 billion.  
 On page 5, line 1, increase the amount by \$5 billion.  
 On page 5, line 2, increase the amount by \$3.9 billion.  
 On page 5, line 3, increase the amount by \$3 billion.  
 On page 5, line 4, increase the amount by \$4.1 billion.  
 On page 5, line 5, increase the amount by \$5 billion.  
 On page 5, line 11, increase the amount by \$5 billion.  
 On page 5, line 12, increase the amount by \$3.9 billion.  
 On page 5, line 13, increase the amount by \$3 billion.  
 On page 5, line 14, increase the amount by \$4.1 billion.  
 On page 5, line 15, increase the amount by \$5 billion.  
 On page 5, line 22, increase the amount by \$0.2 billion.

On page 5, line 23, increase the amount by \$3.5 billion.

On page 5, line 24, increase the amount by \$3.7 billion.

On page 5, line 25, increase the amount by \$3.1 billion.

On page 6, line 1, increase the amount by \$3.9 billion.

On page 6, line 7, increase the amount by \$0.2 billion.

On page 6, line 8, increase the amount by \$3.5 billion.

On page 6, line 9, increase the amount by \$3.7 billion.

On page 6, line 10, increase the amount by \$3.1 billion.

On page 6, line 11, increase the amount by \$3.9 billion.

On page 6, line 17, increase the amount by \$0.2 billion.

On page 6, line 18, increase the amount by \$3.5 billion.

On page 6, line 19, increase the amount by \$3.7 billion.

On page 6, line 20, increase the amount by \$3.1 billion.

On page 6, line 21, increase the amount by \$3.9 billion.

On page 7, line 1, increase the amount by \$0.2 billion.

On page 7, line 2, increase the amount by \$3.5 billion.

On page 7, line 3, increase the amount by \$3.7 billion.

On page 7, line 4, increase the amount by \$3.1 billion.

On page 7, line 5, increase the amount by \$3.9 billion.

On page 7, line 8, increase the amount by \$0.2 billion.

On page 7, line 9, increase the amount by \$3.7 billion.

On page 7, line 10, increase the amount by \$7.4 billion.

On page 7, line 12, increase the amount by \$14.4 billion.

On page 8, line 7, increase the amount by \$0.2 billion.

On page 8, line 8, increase the amount by \$3.5 billion.

On page 8, line 9, increase the amount by \$3.7 billion.

On page 8, line 10, increase the amount by \$3.1 billion.

On page 8, line 11, increase the amount by \$3.7 billion.

On page 70, line 21, decrease the amount by \$3.9 billion.

On page 70, line 22, decrease the amount by \$3.5 billion.

On page 70, line 24, decrease the amount by \$3.0 billion.

On page 70, line 25, decrease the amount by \$3.7 billion.

On page 71, line 2, decrease the amount by \$4.1 billion.

On page 71, line 3, decrease the amount by \$3.1 billion.

Mr. DODD. Mr. President, I offer this amendment on behalf of myself and the Senator from Vermont [Mr. JEFFORDS].

Let me briefly describe what this amendment does. Senator SIMON of Illinois and I offered a similar amendment in the Budget Committee several days ago, which was defeated on a tie vote. Our colleague from Mississippi, [Mr. LOTT] arrived a few minutes late, and under the rules of the Budget Committee, was unable to vote. He would have voted for the amendment and it would have carried. On a tie vote, the amendment failed.

I have changed the amendment Senator SIMON and I offered in the committee. In the committee, we took money from the Milstar Program, made modest cuts in the intelligence budget, and across-the-board cuts in the Departments of Agriculture, Commerce, and several other agencies. In this amendment, we still maintain the cuts in the Milstar Program and intelligence, but we eliminate the across-the-board cuts that were offered as part of the amendment we proposed in the Budget Committee.

In lieu of that, we have a partial restoration of the spending resulting from the Exon-Grassley amendment that was successfully proposed in the Budget Committee.

Let me just break out the numbers very quickly and then get to the substance of the amendment.

This amendment would provide for \$6 billion in fiscal year 1995 and \$30.5 billion over 5 years to go to the States and localities to offset the spiraling increase in special education costs. A number of years ago, the Federal Government made a commitment to spend or contribute 40 percent of that cost. Nonetheless, we are only contributing 7 percent of that cost currently. This amendment would raise our participation in the cost of special education in every school district in this country by 23 percent, raising the Federal commitment to 30 percent of the original commitment of 40 percent.

So the numbers spin out this way: We would reduce intelligence funding by \$300 million in 1995, reaching a height of \$1.7 billion of cuts in 1999, for a grand total in budget authority, of some \$5.4 billion over the next 5 years; we would cancel the Milstar Program, which gives us a budget authority savings of \$4 billion over that same period of time; and we would restore about 50 percent of the reductions in the Grassley-Exon amendment. This would provide us with an additional \$21 billion in budget authority, giving us a rough total of \$30 billion that I mentioned a moment ago. That is how we pay for this.

So it is the cancellation of Milstar, a modest reduction in intelligence, and then a partial restoration of Exon-Grassley.

What do we do with this money? This is where I want to ask for the attention of my colleagues because this is something we have talked about here on countless occasions. We have heard over and over again the word "mandates" used. This is not a mandate. We have to be careful about the use of that word.

Special education is a critically important program that the Federal, State, and local units of government have a legal responsibility to fund. But, it is also a very expensive program. We have insisted that our States and localities participate in paying for



the cost of educating children with disabilities across this Nation. When the Individuals With Disabilities Education Act was authorized, we said we will help you pay up to 40 percent of the total costs; we will participate. We do not want you to bear all the burden. We will participate.

As I mentioned earlier, we spend about 7 percent or \$3.3 billion of the total costs of special education across the Nation. This amendment would raise our participation by 23 percent reaching a total of 30 percent of the 40 percent we originally talked about.

Let me explain what some of the costs mean in real terms, in terms of some of our States.

Let us take the State of Kansas, for instance. The latest statistics that were available from the U.S. Department of Education indicate that the State of Kansas has an \$8.7 million commitment from the Federal Government for special education. The State of Kansas spends \$53.8 million, and the local governments in Kansas spend \$53.5 million for special education. If this amendment were to be adopted, we would provide an additional \$15.8 million to the State of Kansas. That would potentially reduce the local commitment to special education in the State of Kansas by \$15.8 million in property taxes.

In the State of New Hampshire, the reduction could be \$3.4 million. In the State of Oregon, the reduction could be \$31.1 million. In the State of Connecticut, it could be \$35.5 million, just to cite some examples. I will be glad to provide any Member who is interested in how his/her State will fare with this information. But every single school district in America potentially has a property tax reduction if this amendment is adopted.

It is clear the costs are tremendous, and they are rising. In fact, we are being told by the Governors conferences, and others, that the costs of special education are skyrocketing. By relying heavily on local property taxes, the costs are most painful to communities that have the least amount of economic viability. Our wealthier communities, of course, can afford to do it, but poor rural and urban communities are strapped tremendously.

I think we ought to be more of a participant in special education. And, I also think we ought to be more of a participant generally in the education of our children.

Today, in fiscal year 1994, out of the entire Federal budget the commitment of the U.S. Government to the education of our children in this country is somewhere between 1.8 and 1.9 percent of the entire Federal budget. Of the entire Federal budget, that is our commitment to education in this country. Yet every single one of us knows—and I am confident everyone has given a speech about—how important edu-

cation is for the 21st century. Yet of the entire Federal budget, that is all we commit to the education of our children. I am including higher education.

With the Clinton budget—and I commend him for it—that number reaches just about 2 percent for 1995, maybe up a tenth of a percentage point. If this amendment is adopted, we would be at 2.5 percent of the Federal budget by picking up more of a share of the special education costs of our children.

Mr. President, it is not easy to come up with offsets. We have to do it. I am sure there will be people here who do not like these particular offsets. We tried to do it in a balanced way. We have suggested canceling a program that many have raised some very severe reservations about.

I am not permitted, nor would I mention the total amount we spend on intelligence. That is a number that I am not allowed to reveal. But I am confident my colleagues here know what that number is. When I talk about a \$300 million reduction in the intelligence budget reaching \$1.7 billion in 1999, I am not talking about reducing a great deal of that budget.

Given the fact that the cold war has ended and the world has changed dramatically, this is not a significant reduction in that particular budget.

Then, of course, we are picking up 50 percent of Exon-Grassley. Again, I realize deficit reduction is an important issue, and it should be. But we should not continue to reduce our deficits simply by shifting the costs to other units of government. I think we could really assist our financially overburdened communities by taking some of our resources and applying them to meet our promised levels of educational commitment.

There is a great movement going on across this country over property tax relief. Here is a chance for us to finally do something about it in a very real and meaningful way, to actually reduce the property tax burden because of the rising costs of special education needs.

So I would urge my colleagues to look at this amendment carefully and raise questions if they have them. But here is a chance, as I say, for us to provide either real potential tax relief or greater resources to allow communities to purchase computers, additional teachers, better facilities, et cetera. Local communities simply cannot continue to raise these tax rates much longer, or much higher, and this amendment would provide some relief either to cut that tax or relocate resources in other areas.

So I would urge the adoption of the amendment. I would be glad to yield to my colleague from Vermont for any comments he may have as well.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I rise in support of my colleague from Connecticut, and commend him for this amendment.

As Senator DODD has pointed out, this amendment is within the budget cap. But most importantly, for the knowledge of Members, it follows the instructions which were given us in a 93-to-0 vote on the Goals 2000 bill. In that Sense-of-the-Senate vote, we stated that as soon as reasonably possible we should fulfill our commitment dating back to 1975 and fully fund 40 percent of the cost of special education in this country. To remind everyone what that vote of 93 to 0 was about I will read the language delivered a few months ago.

"It is the sense of the Congress that the Federal Government should provide States and communities with adequate resources under the Individuals With Disabilities Education Act"—that is special education—"as soon as reasonably possible through the reallocation of noneducation funds within the current budget monetary constraints."

What we are doing here today, is what we were committed to do after that vote. We are fulfilling that commitment, to give you the opportunity to be able to go back to your States and say that you have lived up to a 93-to-0 vote that we should move toward fully funding the special education provisions.

We have done our best to try to find the most logical and sensible way to take funds from other parts of the budget and move them over to this critical area.

But before I get into more detail on Special Education, let me turn to a little bit of budget philosophy and to the critical crisis this Nation faces with respect to education. I think to fully understand why this amendment is so important, we must not only recognize the problems that have been created by the underfunding of special education, but we must also fully understand the realities of our educational system as we move toward the future in critical areas.

First of all, it is critically important that we are able to have the work force we need for the next century.

Mr. President, the evidence is overwhelming that unless we devote more resources into education, and direct them toward attaining what the Goals 2000 would require, we will not have an adequately educated work force. We will not be able to meet the competition in the next century to be able, or keep this country at the level of greatness that it is now, and it should be in the future.

Second, we cannot solve the problems of crime by building more prisons. We must go to the causes. And when you understand that 82 percent of those who are incarcerated are school dropouts, it is not difficult to see the linkage between education and crime.

Third, we must also look at the impact that our welfare system has had and understand that in order to solve the causes of the welfare problem, we must also look to education. To dramatize that, reflect on the fact that 60 percent of our teenage pregnancies are school dropouts.

Finally, if we are going to bring the problems of health under control in this Nation, it will be impossible to do so unless we provide the resources to ensure that our people are knowledgeable and understand what must be done to take care of their children to make sure they are healthy and ready for school.

In my mind, I have a budget philosophy, and that is that we have to cut, but when we cut, we should also consider that we have to reallocate resources to meet the priorities of this Nation. I could go on at length about the dire need for reordering resources to go into education.

The philosophy that I have adopted and am pursuing here is that when we make cuts, we should reserve half of those cuts for reordering national priorities and half of those cuts for deficit reduction. That is what the Dodd-Jeffords amendment does.

What we have been doing, I think unfortunately, for the past few years is placing ourselves on a course which is guided only by the amount of deficit reduction. I call this fiscal dead reckoning. It is a lack of ability to discern what course we want in the budget situation. We chart forward where we are going, using the same course and the same speed, and we hope when we are finished we will get to where we want to be.

We only use that when we do not have the ability to look at navigational aids, whether it be land or satellites or whatever. But when we see that a course change is necessary, to continue on a dead reckoning course will lead you into the shoals and destroy your ship. We cannot allow our ship of state to continue on that same course without recognizing we need to modify the course and the speed in many respects.

So when we do the cuts, I believe strongly, as I said, that we should save some of those cuts to reorder national priorities and not mindlessly pursue a locked-in course with the same priorities at slightly lower levels.

Now let me again take a look at the crisis in education in this country. It is not a simple matter of throwing money at an issue. I will be the first to recognize that. But, on the other hand, it is incomprehensible that we can do what must be done without some reallocation of resources.

We have chosen one where reallocation is most significant and most necessary in order to free up our educational agencies, our local educational agencies in States, to be able

to unshackle themselves from the failure of the Federal Government to meet its commitments in funding of special education.

My colleague from Connecticut has outlined very dramatically what it could do for each of the States. But, more importantly, it will provide reassurance to those communities so that they can plan for the future under the Goals Planning Act, with some hope that they will have Federal resources to meet some of the demands that are being placed upon them.

Yes, it is true that you can do much without those resources to better define the programs and plans at the local level. But it is also impossible to recognize that, without additional money to fulfill the Federal commitment, it will not be possible to meet the goals and provide the work force for the future.

In the HHS appropriations bill back last September, without objection, an amendment was included by myself, Senator SIMON, and Senator DODD which, in essence, states this:

To express the sense of the Congress that the total share of Federal spending on education should increase by at least 1 percent each year until such share reaches 10 percent of the total Federal budget.

That was what we passed in the HHS appropriations bill.

For the knowledge of my colleagues, the House the other day passed an amendment, without objection in the House of Representatives, and added an identical amendment to the Elementary and Secondary Education Act. So we now have on record position statements by both bodies that this Congress will reallocate the resources necessary to make our commitment to education.

Mr. President, I have supported Senator DODD and Senator SIMON in these efforts and will continue to work with them to improve our Nation's schools.

This amendment, as I pointed out, will add \$6 billion to Function 500 in fiscal year 1995 to be used to fund special education, bringing it up at least halfway to where our commitment was in 1975.

The increase, when combined with the increases in Head Start the President included in the budget request, provides sufficient money to produce some visible results in our schools. This is the first step in a multiyear process of providing resources that will get school improvement really moving, to start showing progress that our students can see and benefit from.

When the special education program was enacted in 1975, the Federal Government agreed to pay 40 percent of the cost. Today, the Federal Government pays less than 8 percent. In my State it amounts to only 3 percent.

The increases in the program over the last 15 years, combined with the failure of the Federal Government to

live up to its commitment, have created an enormous financial burden for the State and local governments. This proposal would bring the Federal contribution up to in excess of 25 percent, a significant increase but still well below the level promised when the bill was authorized.

No one wants to solve our deficit problem more than I do. But we cannot put our fiscal house in order by ignoring the needs of our own people. Only by addressing those problems can we ever hope to control the spending programs and bring them in line with the ability to support them with revenues.

Let me give a very simple example of how this works with education. The national average graduation rate for our schools is 72.9 percent, while the rate for urban schools is 66.5 percent. In human terms, this is 86,000 young Americans who try to enter the work force each year without high school diplomas. We know from statistics that these individuals will earn 65 percent less money than their colleagues who have graduated from high school.

Let me repeat that. By earning a high school diploma, a young person can expect to increase his income by 65 percent. If we could just get the graduation rate for urban schools up to the national average, the additional tax revenues would be about \$200 billion per year.

That gives an indication of what can be done. One could only imagine the enormous economic effect if we could raise the graduation rate for all schools up to the goals we have set in the Goals 2000 bill.

Mr. President, bringing our poorest performing schools up to the current national average is not an unachievable goal. It is an investment that makes sense and it is for the sake of our children. If we expect to maintain the current standard of living for our children it must be a requirement that we provide all of them with an education that will prepare them to cope and indeed prosper in the years ahead.

#### BACKGROUND

It has been nearly 11 years since "A Nation at Risk" was released. The authors of that report described the status of our education system as follows:

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war.

In my view, they were portraying a very serious problem, and making a plea to the Nation to take action. This commission was not the first to make these recommendations, nor the last. In fact, I have a list of dozens and dozens of studies that have been done on the problems of U.S. education.

Unfortunately, the policymakers and leadership of our country have not treated education as a crisis, and with



isolated exceptions, have made only marginal changes.

#### STATUS OF AMERICA'S SCHOOLS

Let's examine just a few of the measures that one normally uses when talking about the health of education.

The first is funding. How much are we spending on our schools? It is well known that school funding is not a very good predictor of student achievement, but it is useful to examine how much is being spent.

According to the Congressional Research Service, a total of \$247 billion was spent to operate approximately 87,000 elementary and secondary schools around the Nation in 1992. The Federal Government provided 5.6 percent of this total. This compares to \$127 billion spent in 1982, one decade earlier, when the "Risk Panel" was conducting its work. At that time the Federal Government contributed 7.7 percent of the total.

This may look like a big increase, but when expressed on a per-student basis, in constant dollars, it amounts to about 2 percent real growth per year. Mr. President, I'm not an economist, but I can tell you that the price deflator CRS used to compute constant dollars measures only price changes of local government purchases, not the cost of educating a young person. Government mandates, initiatives such as special education, security problems, health care for students, and many other concerns have driven the average cost of educating a young person far beyond that indicated by the deflator used in this report.

My point is simply that the raw data may seem to indicate school funding has increased substantially, but the reality is that the increase is small. When compared to the demands placed on the schools, and the needs of the students, funding has not kept pace.

Finally, I would like to point out that while the Federal Government is beginning to increase its share of elementary and secondary school funding—which I support wholeheartedly—it is at the State and local government level that the vast majority of the increases in funding have occurred over the last decade.

#### HIGH SCHOOL GRADUATION RATES

The percentage of students who graduate is another commonly used measure of how our schools are performing. According to "The Condition of Education," put out by the U.S. Department of Education, the percentage of 19- to 20-year-olds who have not completed high school declined slightly, about 2 percentage points, over the last decade. The percentage of this age group still enrolled in school increased slightly, and the percentage who had completed high school remained about the same.

In a word, Mr. President, these trends are in the right direction, but the rate of improvement is wholly in-

adequate—not nearly enough to produce the results that are needed.

#### STUDENT ACHIEVEMENT

Finally, there is the issue of student achievement. What are our students learning?

According to the "Statistical Abstract of the United States, 1992" published by the Department of Commerce, Scholastic Aptitude Test [SAT] scores for college-bound seniors, although not a perfect indicator of scholastic ability, have remained virtually unchanged over the last decade. The same is true of American College Testing [ACT] Program Scores.

Looking at younger students, the results are equally unimpressive. The U.S. Department of Education, in "The Condition of Education, 1993," reports trends in proficiency in science, math, reading, and writing of 9-, 13-, and 17-year-old students. All measures for all groups were unchanged or worse over the last two decades, except for a small improvement in math for 9- and 13-year-olds, and in reading for 17-year-olds.

To me, the data indicates that, when measured in traditional ways, our students are about as good as they were 20 years ago. The alarming aspect of this becomes evident when our students are compared with those of our international competitors. A recent test of students from 11 industrialized nations reported in the "National Assessment of Educational Progress," put our 13-year-old students last in mathematics and next-to-last in science. The test results indicated our 13-year-old students were approximately 2 years behind students in Taiwan.

In summary, we have maintained the status quo in our schools while our competitors have made major strides forward. If we expect to be able to compete successfully against them into the next century, then we must find a way to bring about similar or greater improvements in the educational attainment of American students.

#### THE NEED FOR IMPROVING EDUCATIONAL ACHIEVEMENT

The Workforce 2000 Study saw the need for educational improvement. It predicted that more than half the new jobs created by the year 2000 would require education beyond the high school level. Unfortunately, what is evident among many of our leading corporations such as Motorola, Xerox, MCI, and others, is that they are compelled to set up their own remedial education programs to correct the deficiencies they identify in the skills of young people graduating from American high schools.

These are the companies that are on the cutting edge of international competition in the high technology industries of the future. If they cannot succeed in international markets with products manufactured by American labor—the product of American

schools—then we have a bleak future, indeed.

#### THE INCREASING CHALLENGES TO EDUCATIONAL ACHIEVEMENT

We must remember that our schools are being challenged from every direction. On the one hand, we are asking them to take a significant step forward in preparing students for the workplace of the 21st century. On the other hand, we are sending them children whose educational success is threatened by an increasing number of risk factors.

Poverty is the biggest risk factor to a child's educational success. In the last two decades, the percentage of children living in poverty has increased by 48 percent. The Department of Commerce announced yesterday that this figure has gone up for the third consecutive year. It now stands at 22 percent. Saddest of all is the fact that poverty rates are highest among the youngest children. Of children under the age of six, almost 25 percent live in poverty.

There are other risk factors as well: language, family status, drugs, and many others. Most of them are increasing, as well. I might interject here to say that many people claim these are not education problems. I will not argue the semantics. Whatever they are called, they still affect a child's ability to learn. When a child fails at school, all of us pay the price in the long run—whether it is lost productivity, forgone tax revenue, welfare costs, unemployment costs, or crime.

Our country cannot wait until we solve the problems of the American family, or the problem of poverty before turning our attention to education. Indeed, I would argue the most effective solution to these problems may lie with our schools. I believe the creation of a fully literate society is the foundation on which we can make real progress toward breaking the cycle of poverty that grips too many American families. No training component of any welfare reform effort can succeed without a strong educational foundation. We must improve education, and we must do it as soon as possible.

The bottom line is that our schools must produce graduates that are better educated than in the past. They must do it by starting with students that are less prepared to learn than in the past. Over the last decade, we have asked them to do this with only meager increases in funding. If we expect them to make the kind of progress that is really necessary, we must be willing to provide them the necessary resources.

Now is the time to start putting this proposal into action. We can no longer sit on the sidelines and hope that someone else figures out a way to prepare our children for the 21st century using methods and funding levels from the 1970's. We have to be willing to meet today's promises and tomorrow's

challenges. To do that, we have to be willing to provide the resources.

As the chart indicates, we have many excellent programs that are producing good results but simply are not being funded adequately to address the national needs. There are also several new initiatives that are widely recognized as beneficial to our students that should be implemented as soon as possible, such as extending the school year.

As we have in the past, this Nation has responded to pressing national needs with aggressive and innovative programs to provide opportunities to our citizens who needed them. The GI bill after World War II is a good example of America meeting a unique challenge. In 1947, the peak year of spending for this program, the Federal Government spent \$3.6 billion sending veterans to college. In today's dollars, this would equate to \$31 billion. Once again it is time to take this action to address the educational needs of our population. This time, it is for all American children. We must guarantee the educational opportunities that fulfill the promise for a better future.

Only by taking drastic action to improve our education system can we expect to provide our children with the bright future that all of us have taken for granted during our lifetimes. We have been warned, but we have not taken bold action. The time to act is now.

I want to say a few more words about special education and why it so important we continue to move forward with this amendment.

In 1975 when the Education of the Handicapped Act [EHA], now Individuals with Disabilities Education Act [IDEA], was passed, the authorization level for funding the program was 40 percent of the "average per pupil expenditure" setting a goal and an expectation for future funding. Funds appropriated for the program have not begun to reach this level of commitment. In fact, the Federal contribution is projected to be about 8 percent in 1994. Clearly, the anticipated funding level has not been realized. This amendment would raise the Federal share to about 30 percent.

Much has changed in special education since the act was passed. Disabilities have emerged that were previously rare or nonexistent. These include technology dependence due to the survival of low-birth-weight infants, traumatic brain injuries, problems resulting from addiction and lead poisoning, health impairments due to AIDS and herpes. Currently, the category of "severely emotionally disturbed" is under review and may be amended to include a broader array of problems. The inclusion of "attention deficit disorder" as a new category of disability is being studied.

This expansion of the population of students with disabilities has increased

the demand for staff for special education and related services. Additionally, the educational challenges presented by the expanded population have created the need for new and different approaches to the teaching and learning process. Existing staff have required training or retraining. New models for the provision of services have been developed and tested.

New requirements have been added to the act through the reauthorization and regulatory processes. The planning for and the provision of services designed to transition students from school to work have been added. Students with disabilities must now be provided assistive technology as a related service. Some of the assistive technology must be designed and developed on an individual basis in order to meet the unique requirements of individual students. States are required to meet the "highest professional standard" for staff, thus increasing costs for both training and salaries. Public agencies are now required to reimburse parents under certain circumstances for attorney's fees.

In addition to requirements that have been added through the legislative and regulatory processes, requirements have been imposed as the results of court actions. Examples of these requirements include: a prescribed process for the suspension and expulsion of students with disabilities which limits the time a student may be suspended or expelled under specified circumstances; the provision of services by the schools of services that were previously considered medical services; the availability of damages or compensatory services; the expansion of "Free Appropriate Public School" to include year round services for some children; and, the expansion of services offered to students with disabilities placed by their parents in private schools, to name a few.

Services and costs have expanded due to policy interpretations made by the U.S. Department of Education. The Department has further defined States responsibility to provide services year round to students with disabilities determined to need such services. Recently, it was ruled that hearing aids which were heretofore considered personal devices, since they were required in settings other than school, were ruled to be assistive technology and must now be supplied by schools.

The Department has further defined the courts' standards for the provision of services to students who are suspended or expelled by requiring school systems to continue to provide services to students with disabilities under certain circumstances during the time they are suspended or expelled. Policy interpretations by the Department have had the effect of expanding the circumstances under which a school system must pay for an evaluation to

be provided by persons who are not employed by the school system. It should be noted that the imposition or requirements on States and local school systems through policy interpretation without the benefit of the legislative or regulatory process has been ruled by the courts as being within the authority of the Department of Education.

While new populations and requirements have evolved, States and schools have also worked to improve the quality of services provided. Among areas that most agree need improvement are: program evaluation; personnel preparation; support to families; services to students with disabilities in correctional facilities; and services to students whose native language is other than English.

Other factors also contribute to the costs of special education. The paperwork burden has increased as a result of the litigious nature of the act. Transportation costs are impacted by the cost of gasoline and have increased tremendously over the past several years. Due process hearing overall have dramatically increased since 1990. This may be due to the increasingly litigious nature of our society or it might be viewed as the result of inadequate services. Whatever the reasons, the increased hearings contribute to the costs associated with special education are increased.

The public demand for educational restructuring and reform has significant implications for the education of students with disabilities. There is a call for high expectations and commensurate achievement for all students, including students with disabilities. The provisions of the Goals 2000: Educate America Act apply to all students. If we are to improve teaching and learning for all students, ways must be discovered to make curriculum content, not just buildings, accessible to students with disabilities. The programmatic and fiscal implication of these challenges are yet to be determined.

Those who were part of the passage of the act in 1975 could not have foreseen the current circumstances. Yet, authorized funding was established at 40 percent of the average per pupil expenditure. Congress has an obligation to evaluate the appropriate level for funding IDEA in light of the current situation and the intent for future funding previously expressed by Congress when the authorization level was established.

Mr. President, how much time do we have remaining?

THE PRESIDING OFFICER. The proponents have 33 minutes and 44 seconds.

Mr. JEFFORDS. I yield the floor.  
THE PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield 10 minutes to Senator GRASSLEY.



The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, obviously, I am going to rise against the amendment by the Senator from Connecticut and the Senator from Vermont, not because there is anything wrong with the programs they want to spend more money on—they are very good, worthwhile programs—but because their approach would add to the deficit that is in the budget resolution. I think it is wrong to add to that deficit.

I would like to read a paragraph from a letter I got from the National Taxpayers Union in support of the Exon-Grassley amendment. The third paragraph says: "The National Taxpayers Union strongly opposes any effort"—I assume that would include the effort being made by the Senator from Connecticut—"to restore the \$26.1 billion in Federal spending that you have successfully cut." This would only be a part of this total amount of money, but they would oppose an effort to restore any. "We urge your colleagues to oppose any such effort and we would score any vote to oppose restoration of funding as a major protaxpayer vote in our annual rating of Congress." That is just one organization. There are a lot of other organizations that would have similar feelings.

There are a lot of other organizations on the other side that would say we ought to spend more money. But what you have to look at is, what is the mood of the country? It is for Congress to get its act together when we are talking about spending money and budget issues. The biggest part of our act here in Washington, DC, and in the Congress, is getting our fiscal house in order. For some reason, some of my colleagues just do not get it. There is a good reason why last Thursday, 13 out of 21 members of the Budget Committee voted to make additional cuts. These were the Exon-Grassley cuts. That good reason is because these 13 Senators have received the message. The American people want us to have guts and to make cuts.

Every budget chart in this town, Republican or Democrat, public sector or private sector, shows deficits rising again after 1999. The purpose of the Exon-Grassley amendment, which the Dodd amendment would detract from by spending some of the savings, was to change the slope of the rising deficit path that shows up on every chart in this town. The committee was very cognizant of this looming predicament. The euphoria of having a couple of good years here of reducing those budget deficits will soon go up in blue smoke as we get down there to 1999, and those deficits go back up.

The Budget Committee's decision was to make a downpayment, a simple, small downpayment on lowering tomorrow's deficits, particularly post-

1998 deficits. We did not want to wait until mañana to deal with a problem the people of this country want and expect us to deal with today, not in 1998 or 1999.

There has been some talk about how discretionary spending has been cut to the bone. That is something the Senator from Connecticut is now dealing with. They would say there is no more room to cut, discretionary spending is only one-third of the budget and therefore is not really the problem.

Let me suggest, however good-intentioned those arguments are, that is an argument that does not sell at the grassroots of America.

Spending is spending. All spending, Mr. President, is the problem. Whether it is entitlement spending, discretionary spending, defense spending, interest payments, it is all part of our problem. And we have to start somewhere.

So in undoing what we did in the committee, which the Senator from Connecticut would partially do—and we did it to save just \$26 billion over 5 years—any effort to rescind that would be a step backward. It would signal retreat in the face of the superior forces in this body who want to spend more.

Mr. President, not since 1985 have I seen so many in this body react so irrationally over such a modest amount of cuts. 1985 was when we cut a mere \$17 billion over 3 years from the defense budget, which amounted, at that point, to a freeze. Back then, we were told that a \$1 reduction would cause the decline of the West into the dustbin of history. Yet, we froze the defense budget, and it was the Soviet Union, not the United States of America, that was swept into the dustbin.

With the Exon-Grassley cuts—which, incidentally are not cuts but merely a prudent limit in the increases—we are told the very same thing in 1994 that we were told in 1985. I have been getting letters, calls and faxes saying that the effect of the Exon-Grassley amendment will be to undermine health care reform, it will decimate education, it will destroy the environment, and it will end all assistance that we provide to our youth.

Let me just say that Exon-Grassley cuts only—cuts only—\$1.6 billion in outlays in the first year of this budget. Just \$1.6 billion next year.

This must be, considering all of the screams of despair that are going up over the Exon-Grassley cuts, the most magical \$1.6 billion in the budget that we ever had. If cutting it will destroy all these worthy programs, that must mean that spending this measly \$1.6 billion will do enormous things. Think of what this means in terms of the multiplier effect. It reminds me of the story of Jesus and his Sermon on the Mount where he had only two loaves of bread and five fish, and yet he fed the multitudes. Every time a fish was

taken from the basket, another one would miraculously appear. Yes, this must truly be a miraculous \$1.6 billion.

The deficit savings in the Exon-Grassley amendment are not large. In fact, notwithstanding what I said before, they are not even modest. In fact, they are embarrassingly low and small. Yet, it was the most that we could hope to do in that Budget Committee last week. I commend each of my colleagues on the Budget Committee for the courage and the guts to make these cuts. Especially I wish to commend my good friend from Nebraska, Senator EXON, who had not just courage but provided the leadership to buck his party leaders and to give the taxpayers this small but very significant victory.

As one who has been on the point many times, bucking my own party during the Reagan-Bush years, I know what he is going through. Sometimes it can get awfully lonely when you follow your convictions and when you do what you think is right.

The savings in the Exon-Grassley amendment are so small that they have been characterized as a gnat. In my view, Mr. President, it is even smaller than that. It is a pimple on the back side of a gnat. Yet, we are reacting as if it were the end of time. Imagine if we did something real serious to lower the deficit. Why should we want to give up this small victory for the taxpayers?

I urge my colleagues to reject the Dodd amendment, which is just one of many, many attacks we are going to have in the next few hours and few days as we discuss this budget resolution, to undo what the taxpayers of this country are asking us to do: to make a small downpayment on the debt that is looming on the horizon post 1998.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, let me point out a number of things, if I can, in response to my colleague from Iowa.

First of all, this is an amendment that could result in lower property taxes. In fact, in the State of Iowa, it could mean a reduction of at least \$710,000 in property taxes because that State, like all States, is being asked every day to pay an increasing share for the special education cost of children.

I offered an amendment in the Budget Committee that did this by making across-the-board cuts in a number of agencies' discretionary spending budgets; cutting Milstar, and so forth. My colleague from Iowa voted against that amendment, which amounted to real property tax relief in every single school district in this country—every single school district in this country.

But that amendment was rejected on a tie vote, 10 to 10, in the committee. That would have saved us having to come to this conclusion.

But I happen to believe, based on the comments of my constituents, and many others across the country, that the property tax burden is crippling to people. Talk about the deficit. We load up our local communities with increased costs, and special education contributes to them. Today the burden is pretty significant.

What this amendment does is offer some relief to every single State in that area. In my State, it is a savings of \$35.5 million potentially. In the State of Oregon, I mentioned it is \$31.1 million. In the State of Iowa it is \$710,000 because local communities are paying a tremendous amount in property taxes to support the special education needs of children. We said years ago the Federal Government ought to be involved in the cost of special education in this country, and then, typically, we backed away. We said you ought to do it, you have to do it, now you pay for it. You pay for it. Nebraska, Iowa, Connecticut, New Mexico, you pay for it.

So all I am saying here is how about living up to our words? How about participating? How about offering those school districts a bit of a break? That is all, to lower that property tax a bit, which is one of the most regressive taxes in the country. Lower that property tax a bit. Participate and contribute.

I do not like taking money from the proposal of my colleagues from Nebraska and Iowa, but all the money got sucked up in that. Here is a way of asking for some of that money back to offer some relief to the very people you talk about in deficit reduction. Get rid of the Milstar program, make a modest reduction in intelligence over 5 years, and increase from 7 percent to 30 percent the Federal Government's commitment to educate the kids who have disabilities in this country. Is that too much to ask?

I know deficit reduction is important. I do not know anybody here who does not care about it. We all do. But to say somehow we are pure, we will reduce our deficit and then shove the costs on to our local communities across the country and ask them to bear the burden—once again, is pure gimmickry. Those are heavy costs to the local community and they are going up every day. Ask your Governors, ask your mayors where the single largest cost is rising in their education budgets—it is special ed.

We promised to contribute 40 percent of the costs, and now we do not want to pay for it because we are seeking the Holy Grail of deficit reduction. Every school district in this country can benefit if this were adopted. If you want to provide relief for people, buy this amendment.

So the amendment is different than what I asked my colleagues in the Budget Committee to vote on. But in light of the Exon-Grassley amendment being adopted in the committee, we ask to restore 50 percent of those cuts for education. You still have 50 percent of your reductions.

So I urge my colleagues to look at this amendment. Deficit reduction is important. Property taxes are also important. The burden on local people is important. I think we ought to keep them in mind as we talk about these issues. This amendment does.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I am going to yield very shortly to the Senator. He needs 15 minutes?

Mr. EXON. Yes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Let me take 1 minute.

Mr. President, about an hour ago, maybe an hour and 15 minutes ago, I was speaking to the Byrne grants, formula grants that the President has recommended take a very large cut—\$358 million in this year's budget. I commented that the Attorney General appearing before the appropriations subcommittee of jurisdiction had indicated that perhaps they have seen the light and would fund the program.

I was slightly in error in that the Attorney General indicated the cut was too severe and that they would propose another \$125 million in cuts elsewhere and put that \$125 million back into the Byrne formula grants. So the administration did not take care of this problem today and correct the very serious mistake they have made in their budget, and I was a little anticipatory in saying that they did.

Senator GORTON, who had proposed the amendment to fully reinstate it by cuts elsewhere in Government, I told him that he should be very joyous, that he had succeeded. But it looks as if there is only a partial victory, although it would seem to this Senator that the administration is beginning to understand that you cannot be for crime prevention in this country and cut \$358 million out of the most effective Federal Government program in helping our States and localities fight drugs.

So with that, I hope Senator GORTON will understand that I made a mistake of being too optimistic, that the administration is not suggesting a way to pay for it all but only a part of it.

With that, I yield 15 minutes to my friend, Senator EXON from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair, and I thank my friend and colleague from New Mexico.

Mr. President, I will talk about the budget resolution in a few moments. But despite the plea by the Senator from Connecticut on his amendment, which has certain attractive features, I would admit, this is basically the first raid on the Exon-Grassley amendment, and others are likely to follow before we have our final vote. Therefore, I oppose the amendment offered by the Senator from Connecticut and hope that it will not prevail.

Now, having said that, I wish to amplify for just a moment, if I might, that this is a rather unique experience that I have seen. Certainly, I agree with the Senator from Connecticut that property taxes are oppressive. They are certainly oppressive in Nebraska. The only fault I have with his argument is that I do think special education is tremendously important, and under another set of circumstances I might be supportive of the thrust of what this Senator is trying to do, but I would simply say I am opposed to this amendment not on the grounds I do not recognize the need for financing special education, not on the grounds that I am not concerned about local property taxes. Not very often have I heard, in my experience in the Senate, a Senator talking about doing something here that is going to provide some relief from local property taxes.

I would simply advise my friend and colleague from Connecticut that those of us who have served as Governors of our States, those of us who have served in the legislatures of our States, would exercise a caution flag here at least. Even if the amendment by the Senator from Connecticut were adopted, Mr. President, that would not ensure, nor do I think it likely to occur, that the property taxes, therefore, in Connecticut and elsewhere would be reduced. I believe that you can find history replete with the fact that good intentions for providing more money for education do not necessarily, and not very often, reduce property taxes. It gets continued to be swallowed up in the ever-increasing cost of education.

So for a variety of reasons, I hope that we would defeat the amendment offered by the Senator from Connecticut.

Mr. President, I principally rise today to express my support for the fiscal year 1995 budget resolution as reported by the Senate committee. And as reported by the Senate committee, this includes the Exon-Grassley amendment. This is a tough budget which continues the tremendous progress that we have made just this last year with the passage of the \$500 billion deficit reduction bill.

As a result of that bill, we have unquestionably made enormous strides toward restoring some fiscal sanity to our Federal budget. Like my colleagues who voted in favor of last year's budget reduction, I am proud



that we have clearly and finally begun the difficult task of reducing our Federal deficits.

I emphasize, Mr. President, that we have only begun, and we have not licked the monster.

Although it is perhaps still early to make any final conclusions, the early returns are in regarding President Clinton's economic plan and they are revealing the wisdom of the action we took. Our projected deficits are significantly lower than last year's. The economy is doing quite well.

In that respect, critics of last year's efforts were clearly wrong. At that time, you heard prediction after prediction that our economy would go sour, that jobs would be lost, that small businesses would be devastated, and that our deficit would continue to increase. None of these predictions have come to pass.

In a different respect, however, the critics of that effort were partially correct. We have not yet done enough to control Federal Government spending, and we are not yet on a path toward a balanced budget any time in the future, as far as we can see, as I addressed, Mr. President, in this Chamber on March 1 last. In this regard, I disagree with some of my colleagues who assert that we have now done enough and we should rest on our laurels. I believe we need to do more and we can do that as part of this budget resolution.

The chairman of the Budget Committee has said that we should stay the course, and I agree. But I thought the course that we set last year was toward reducing our deficits. We have started on that course and we need to continue on it.

In this regard, I was pleased to be able to work with my colleague, Senator GRASSLEY, in successfully presenting an amendment in our committee markup to lower discretionary spending by \$42 billion in budget authority, and \$26 billion in outlays over the next 5 years.

Because we reduced our spending caps as part of that amendment, this is a direct cut against future deficit spending, and we are making more progress. It can and it will save \$26 billion, and probably more, over 5 years. Those who want to restore those funds should be warned that they are directly increasing our deficits. Those who want to keep reducing our Federal deficit spending and to continue making spending cuts, should know that the Exon-Grassley amendment is the only action taken by the Senate Budget Committee that calls for further deficit reduction this year beyond that which was in place last year.

I recognize that the spending caps which were set in place by last year's reconciliation bill are tough and that those caps are already having a major impact. The caps are having their desired effect. Our President and the Con-

gress have been confronted with the difficult task of setting priorities as we can no longer simply add to our deficit when we cannot agree over which programs need to be cut.

President Clinton's fiscal year 1995 budget submission surely reveals that difficult decisions are indeed being made. Hundreds of programs have been placed on the chopping block and will be reduced or terminated. This budget resolution, by closely following our President's proposals, continues that process. Few will doubt that the discretionary spending caps are either directly or indirectly the cause of most of those cuts.

The question remains whether last year's caps were tough enough and I conclude that they are not. In my view, discretionary spending should be squeezed a bit more. Although many programs are being reduced in this budget plan, many others are allowed significant increases. In fact, over the coming 5-year period, in spending priorities, according to the President, there will be an increase of well over \$100 billion.

The Exon-Grassley amendment thus reduces those increases by approximately 25 percent in outlays over 5 years. It is a very modest reduction in spending and one that recognizes that we cannot and should not devastate overall discretionary spending as many of the critics of the President's budget would do.

The President must have the ability to reorder our Nation's priorities and this amendment does not stand in our President's way in that regard. In the coming fiscal year, for example, the Exon-Grassley amendment calls for a reduction of \$1.6 billion from a discretionary total of about \$541 billion.

Let me emphasize that, Mr. President. Next year, Exon-Grassley only calls for reduction of \$1.6 billion out of a total spending in the discretionary area of \$541 billion. That is hardly devastating.

I also remind my colleagues that this \$26 billion cut over 5 years translates to about a 1 percent cut in our overall discretionary spending, which over 5 years will total nearly \$2.7 trillion. I repeat, only a 1-percent cut out of the total spending will total \$2.7 trillion over 5 years. And compared to total Government spending, it is less than one-third of 1 percent.

Mr. President, the Exon-Grassley amendment was surely a modest effort that hardly means that it was not an important effort. There seems to be a common and accepted opinion in Congress that progress toward solving our budget deficits can only be made in giant leaps, such as last year's reconciliation bill or as in the promise of controlling health care costs through health care reform. According to that view, modest efforts to solve our deficit problem, which continues to fester, are not worth the effort.

I do not agree with that view and was pleased when a majority of the Budget Committee indicated that it did not agree with that view. According to the Budget Committee, we can and should continue to make progress in solving our budget deficit problems even if that progress cannot be described as the largest deficit reduction bill ever contemplated by mankind. More modest efforts may not balance our budget in 5 years but they might help to keep our deficits on a downward glide path, which I think is essential.

I am also convinced that the American people want to see more budget cuts and that they want Congress to continue its budget cutting efforts this year. In that respect, it is vitally important that we prove to the American public that we understand that our Federal budget problems have not been fully resolved and that we have both the courage and determination to continue to make the difficult and, sometimes unpopular, decisions that must be made.

As such, I am very hopeful that the full Senate will agree with the recommendation of the Senate Budget Committee regarding our discretionary spending levels as reduced by the Exon-Grassley amendment. Having made a major step toward rejecting the borrow and spend policies of the 1980's and early 1990's, Congress should not have a relapse and must not revert to its old ways.

Yesterday morning, the chairman of the Budget Committee attacked the Exon-Grassley amendment on the basis that it did not call for specific cuts. In response, I would remind my colleagues that our budget resolutions include absolutely no specific spending cuts. They never have and they most likely never will. The Senator from New Mexico pointed this out in his opening remarks. The chairman of the Budget Committee, during the debate on the Harkin amendment yesterday, said essentially the same thing when he indicated that the amendment was merely changing nonbinding functional totals. The chairman unfortunately appears to be employing contradictory arguments to support his position at will.

So, Mr. President, the budget resolution clearly does not make specific budget cuts and, in my view, claiming that it does is misleading and amounts to nothing more than posturing. That is budgeting by headline, not my amendment.

Those of us who truly want to cut spending often find that we are in a catch-22. The only time we can make specific cuts is during the appropriations process. But, then, it is correctly argued that those cuts do no good unless the caps are reduced. The only time we can effectively change the caps is during the budget process, but then it is argued that we have to be specific. The specific cuts fail due to

the general cap while reducing the general cap fails because of the specific cuts. Either way, those who want to cut spending lose and those who want to continue spending win.

I recognize that we no longer have separate caps for both domestic and defense spending. We have but one allocation to the Senate Appropriations Committee. In my view, the cuts in the Exon-Grassley amendment should be taken from nondefense spending. In contrast to many of our domestic spending initiatives, defense spending has already been cut significantly over the past few years and more cuts are planned. Defense spending peaked at over \$300 billion a few years ago will decline to near \$260 billion in 1998. That is a steep decline in actual terms, a decline that is much steeper if you account for inflation.

In sum, defense spending is already being cut. I have no quarrel with those cuts. President Clinton is moving in the right direction in calling for defense cuts and I add that it was only 2 years ago that I led an effort in the Senate that called for further defense cuts. But, I agree with President Clinton that the defense cuts we have made and that we are contemplating are about right, but they are not sacrosanct.

I point out to my colleagues with or without the Exon-Grassley amendment, the division of defense and domestic spending is within the purview of the Appropriations Committee. If defense spending is put on the table, as I expect it will be despite my objections, then I submit that those cuts in defense should be, at a maximum, no greater than the defense percentage of discretionary spending. If defense is so slightly reduced it is something they could live with just as our domestic spending could live with the modest reductions required by the Exon-Grassley amendment.

So, in conclusion, I want to remind my colleagues that the Exon-Grassley cut will indeed reduce our deficits by \$26 billion over the coming 5 years. It is the only deficit reduction effort now alive in either the House or the Senate. If we fail to accept the Exon-Grassley effort, we are completely ignoring the need for further spending cuts in the budget process this year. It will not devastate President Clinton's initiatives. It is a modest cut but an important cut for our country as it shows that Congress understands that it cannot let up in our efforts to restore fiscal responsibility to our Federal budget. I urge my colleagues to support this budget resolution and to oppose any effort to reverse the \$26 billion in spending cuts that the Exon-Grassley amendment will achieve.

I thank the Chair. I yield the floor.

Mr. SASSER. Mr. President, on behalf of the manager of this amendment, Senator DODD, I yield the Senator from

Minnesota 4 minutes from the time under the control of the proponents of the amendment.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I thank the Senator from Tennessee. I have a tremendous amount of respect for both of my colleagues from Nebraska, but I am in profound disagreement with the Senator from Nebraska on this question.

The Senator from Nebraska has talked about the need for deficit reduction. I stepped up to the plate and voted for the reconciliation bill, and I voted for a \$500 billion-plus deficit reduction over the next 5 years, and I was proud to do so. I think that has to be one goal of domestic public policy. I disagreed with the Senator from Iowa when I heard him talking about spending. We can talk about this as investment. I said to Senator HARKIN, as we started this discussion, that I really believe that if we have not learned this lesson, I do not know when we will: Either we invest in our children when they are young, or we pay the price later on.

Mr. President, I rise to support this Dodd-Jeffords amendment, which would transfer \$6 billion to special ed—in fiscal year 1995, \$30 billion—over 5 years. It takes some of the money from the obsolete Milstar program and some of the money for spending on intelligence, as we move into a post-cold war period of time. Mr. President, I come from a State—the State of Minnesota—where we believe that each and every child, every boy and girl, ought to have the opportunity to be all that she or he can be. And this amendment is in that spirit.

The reason that I think there will be bipartisan support for this amendment is because it calls for some investment in special education, handicap grants, preschool grants, grants for infants and families, deaf and blindness, serious emotional disturbance, severe disabilities, early childhood education, and secondary and transitional services.

My colleague from Iowa, Senator HARKIN, perhaps has been the greatest and strongest voice when it comes to fighting for people and alongside people with disabilities. Mr. President, this amendment calls for an investment in special education—an investment that we should make. We have not made near the commitment that we have promised as a Federal Government in this area.

This is but a small amount of money. I say to my colleagues that given the reasonableness of this proposal, part of the transfer and part of restoring some of the cuts and investing it in a decisive and important area—that is to say support for special education—I do not think my colleagues can have it both ways.

I have heard Senators get up here on the floor in this debate and say that

they are for special education. I have heard that said by those opposed to the Dodd-Jeffords amendment. You cannot have it both ways and say you are for special education and then vote against it. It is not your words that count, it is your vote. All of us know that well. That is how people in our States hold us accountable.

So, Mr. President, it strikes me that this amendment is eminently reasonable. I have a feeling it is going to generate bipartisan support. I think there is broad-based support for more of a commitment to special education. We know from what we hear from people in our States the strain this has had on the local school districts and the property tax budget. This is but a small step in the right direction. Therefore, I hope we see this amendment pass with strong bipartisan support.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. SASSER. Mr. President, I ask unanimous consent that a vote on or in relation to the Dodd amendment occur at 2:15 today.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object. I do not think we are going to use all of the time in opposition, because I am concerned about whether we are going to be able to get this resolution completed on time. If every amendment uses 1 hour on each side, I do not think we are going to get there on time. Many Senators will be let down, because they will not have a chance. We may yield back some time. If we agree with the unanimous consent request and do not use all of the time, can we begin another amendment in the intervening time, so as to accommodate the 2:15 vote?

Mr. SASSER. Mr. President, I have no objection to that. How much time is remaining on the Dodd amendment?

Mr. DODD. Why do we not move along and see if it comes to that. A couple colleagues came by and asked how long this would be, because they had to be off the Hill. You might want to check with some people. Some of our colleagues are working on an assumption.

Mr. DOMENICI. I really want him to get the 2:15 time. I will add a sentence and see if it meets everybody's approval. If, however, we finish debate on the pending amendment prior thereto, that the next amendment in order be called up and debate commence on it, and nonetheless that debate will cease at 2:15 so we can vote on the pending amendment.

Mr. SASSER. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I also ask unanimous consent that on disposition of the Dodd-Jeffords amendment, Senator BOXER be recognized to offer an amendment regarding children's programs, and that upon disposition of



the Boxer amendment, Senator LOTT be recognized to offer an amendment regarding defense, nondefense walls, and mandatory spending.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Were we going to agree on a time on that Boxer amendment?

Mr. SASSER. I am advised that Senator BOXER is willing to do 20 minutes equally divided.

I will amend my unanimous-consent request to provide that the time on the Boxer amendment not exceed 20 minutes, to be equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SASSER. I ask unanimous consent, Mr. President, that no second-degree amendments be in order on the Boxer amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, could we get two things in addition, that there would be no second-degree amendments to the Lott amendment?

Mr. HARKIN. Reserving the right to object, I have not seen it yet.

Mr. DOMENICI. We will withdraw that.

Mr. HARKIN. Yesterday, when this Senator tried to offer an amendment, we had this little thing. I do not want to preclude the fact that I may want to second degree that.

Mr. DOMENICI. Can we add that when the amendments have been disposed of—however they are disposed of—the Senator from New Mexico be recognized to offer an amendment?

Mr. SASSER. Let us discuss that. I am advised by staff that there may be an amendment that we want to bring up on our side before proceeding to the Domenici amendment.

Mr. DOMENICI. I have no objection.

Mr. HARKIN. Can I ask the manager for some time?

Mr. SASSER. The manager of the amendment, Senator DODD, is controlling the floor.

Mr. DODD. Mr. President, I yield my colleague from Iowa 5 minutes.

Mr. HARKIN. Mr. President, I thank the Senator. I rise in support of the amendment by Senators DODD and JEFFORDS.

The amendment transfers \$6 billion in fiscal year 1995 to the IDEA, the Individuals With Disabilities Education Act, first established in 1975.

As chairman of the subcommittee that funds education programs, IDEA has always been among my highest priorities, and I am proud of the increases we have achieved. However, our ability to appropriate funds for IDEA programs is limited by the allotment that is provided to my subcommittee.

This amendment will make it more likely that thousands of children with disabilities will receive the education

they are entitled to under the equal protection clause of the 14th amendment and the comparable provision included in every State constitution in this Nation.

I want to do two things with my time. I want to explain why the program is a good investment. Second, I also want to make it clear, in the strongest possible terms, that IDEA, the Individuals With Disabilities Education Act, is not an unfunded mandate. The idea that Congress imposed a mandate to educate children with disabilities on States and local districts and then refused to pay for it is just plain wrong.

Instead, the right of children with disabilities to a free appropriate public education is a constitutional right established in the early 1970's by two landmark Court cases: *Pennsylvania Association for Retarded Children versus Commonwealth* in 1971 and *Mills versus Board of Education of the District of Columbia* in 1972. In both of those decisions, the Supreme Court made it clear that the responsibility for educating individuals with disabilities rests with States and local school districts.

The House and Senate reports that accompanied the 1975 statute show that its drafters were largely guided by the principles laid down in these Court cases. The enforceable right to a free, appropriate public education is a constitutional right, not a mandate from Congress.

What we have said in those intervening years is that we sympathize with the States and local school districts and we will help them in meeting their constitutional duties.

The Supreme Court recognized this in a 1983 decision in which it quoted from the Senate report, which said:

It is the intent of the Committee to establish and protect the right to education for all handicapped children and to provide assistance to the States in carrying out their responsibilities under State law and the Constitution of the United States to provide equal protection under the laws.

So let us be clear about this. I know special education is expensive. No one works harder than I do to increase Federal funding to help the States meet their responsibilities. But a free, appropriate public education is not an unfunded mandate. It is a basic right guaranteed by the Federal and State constitutions of this country.

So I wanted to make that clear.

I also want to make it clear that I believe we in the Congress have a responsibility to help the States in meeting their constitutional requirements, which is what this amendment does and why I am supporting this amendment. The purpose of the amendment is to make sure that every child receives that education.

I want to join with my colleague from Minnesota who pointed out a lit-

tle bit ago to my friend and my colleague from Iowa for whom I have the greatest respect and friendship, and he knows that. When he said that spending is spending, I am sorry spending is not spending in every case. I mean we can either spend smart or we can spend stupid. If we do not put money into early childhood education for individuals with disabilities, then later on we are going to spend a heck of a lot more money taking care of them. Let me just give a couple examples.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. Could I have 3 more minutes?

Mr. DODD. Could I inquire how much time remains?

The PRESIDING OFFICER. The Senator controls 20 minutes.

Mr. DODD. I yield 3 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 additional minutes.

Mr. HARKIN. Madam President, I have talked a lot about Danny Piper, a young man with Down's syndrome from Ankeny, IA. Some 20 years ago when Danny was born, doctors told his parents that Danny should be institutionalized because of severe mental retardation. They said his condition was hopeless. Fortunately, Danny's parents rejected this recommendation. Instead, they helped Danny take advantage of early intervention and preschool services, which allowed him to ultimately move to the regular classroom, where he not only did very well but also became involved in community service activities. I should also mention that on July 26, 1990, Danny joined me on the White House lawn for the signing of the Americans With Disabilities Act.

Today, Danny is 23 years old and works 20 hours a week at the Ingram Corp., the largest national distributor of videotapes and compact discs. Danny duplicates tapes and discs and packages them for distribution. He makes \$6 an hour, loves his job, and has not missed a day of work in years. Danny also works out regularly at the local YMCA, and has even hired a personal trainer with his own money.

Danny is grown up now, and like most 23-year-olds, doesn't want to live with his parents anymore. So he is now working to find his own apartment. Last week Danny's parents met with an individual who might be willing to be Danny's roommate. To try out this new relationship, Danny is planning to take a trip to Disney World with his potential roommate.

Remember, this is an individual whom doctors pronounced "hopeless" 23 years ago. And they recommended institutionalizing him before he ever got a chance to show what he could do. Danny's achievements go far beyond any financial calculation—just ask his parents. But since we are here today to

talk about money, consider this: Danny's special education services have cost about \$63,000, and he is now a working, contributing, taxpaying member of society—in other words, he will more than repay this investment in him and his personal development. On the other hand, if Danny's parents had listened to the doctors, the costs of institutionalizing Danny would have been almost \$5 million over his lifetime. That's more than 70 times the cost of his special education.

This is how our investment in special education pays off. Special education works, and it's one investment we truly can't afford not to make.

As chair of the Subcommittee on Disability Policy, I recently held an oversight hearing in Iowa regarding the status of special education. I will never forget the testimony of Danette Crawford at the hearing. Danette, who is now in the 10th grade, has severe cerebral palsy. She received early intervention services beginning at the age of 8 months, and now attends her neighborhood school and receives all her education in a regular classroom with the assistance of an associate.

I asked her what she was looking forward to in the future, and she told us of her desire to attend an Ivy League school. She also told us:

I'd like to educate people, people with disabilities and other people that are minorities that might be considered "different" from regular people. And if I can make a difference, then that's my goal in life.

What Danette's testimony tells us is that people with disabilities really aren't different from everyone else. Most kids who work hard in school dream of attending Harvard or Yale or Princeton. And most kids want a career that will help them make a difference in the world. Special education helps make sure that children with disabilities, who have the same dreams as you and I, have the same opportunities to reach those dreams.

Danny and Danette have done well through their own efforts and with the help of special education services. Though there are thousands of success stories like theirs, we also know that too many students with disabilities don't fare as well.

The National Longitudinal Transition Study of Special Education Students documents that we still have a long way to go in meeting the needs of children with disabilities. This study showed that:

Students with disabilities are more likely than not to experience difficulties in school, such as failing grades, absenteeism, and being held back a grade;

Students with disabilities are much more likely to drop out of school than their nondisabled peers. Of youth aged 15 to 20 years, 43 percent of youth with disabilities were dropouts, compared to 24 percent of youth in the general population; and

Young people with disabilities also are much less likely to pursue post-secondary education or to achieve competitive employment than their nondisabled peers.

These data show that when we fail to provide children with disabilities with the special education and related services to which they are entitled, we not only deprive them of their right to maximize their potential like their nondisabled peers, we also increase the likelihood that we, as a nation, will ultimately pay billions of dollars in increased dependency costs in the form of welfare payments.

So when my colleague from Iowa says spending is spending, I beg to differ. We can invest this money in the Danny Pipers of this country and give them the support and the early education they need so they can be self-sufficient, so they can work, so they can live by themselves, whatever it might be, or we can institutionalize them.

If we take the course offered by my colleague from Iowa and say, no, we are not going to invest in early childhood education for kids with disabilities, then it is going to cost them a lot more money unless we are going to say forget it, and we just throw them out in the street and let them die. We are not going to do that. We are a caring Nation. So let us do it smarter.

What Senator DODD and Senator JEFFORDS are saying is let us invest our money a little bit smarter. Let us put it into these kids early on in their lives so we can have the Danny Pipers of the world who will be out earning their own way. Their lives will be better. Their families' lives will be better and, quite frankly, we are going to save the taxpayers a ton of money.

So I compliment Senator DODD and Senator JEFFORDS for their amendment, and it ought to be passed by those who want to see us actually save money.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I ask unanimous consent to add Senator WELLSTONE of Minnesota, Senator CAROL MOSELEY-BRAUN of Illinois, and Senator HARKIN of Iowa as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. DOMENICI. Madam President, how much time do we have?

The PRESIDING OFFICER. The Senator from New Mexico controls 30 minutes.

Mr. DOMENICI. Senator NUNN is on the floor. I yield 5 minutes to Senator NUNN.

Mr. NUNN. Madam President, I thank the Senator from New Mexico.

Madam President, as we all know the budget resolution does not cut specific programs and it is going to be up to the

Department of Defense to take a look at the lower line of the budget if it comes out lower and make recommendations about any exchanges that have to be made in the Armed Services Committee and the Armed Services Committee and the Appropriations Committees will determine which programs are cut.

So make no mistake about it, and whether you are for or against Milstar you are not cutting Milstar on the floor here today. You may be indicating that is what you think will be done, but the decision on that will be made by the two committees and then by the Senate as a whole when we bring up the Authorization Committee and the Appropriations Committee bill.

So what we are doing today is simply another cut in defense and shifting it to domestic programs. This can go on and on, and this is why we should have firewalls. But, of course, we have every right on the budget resolution to make these distinctions, and this is the place it ought to be settled. Once it is settled here, then it ought to be settled for the year. And I would hope that this debate would indicate that and I would hope that later on in this debate we will be able to address a firewalls amendment so that cuts in defense would come off the deficit and not simply be shifted to other programs.

Madam President, I am absolutely sure that the Senator from Connecticut has a worthy program in mind when he shifts these funds. I hope we vote against this amendment. I do think that arguments against Milstar, even though we really are not cutting Milstar here, it is just a notional kind of way of taking money from defense and putting it in domestic programs. But the Milstar arguments I have heard have in many areas been totally erroneous and basically attack Milstar as it was 3 years ago and not as it is now.

The Armed Services Committee had many of the same objections that I have heard on the floor to the Milstar program. We felt it was geared too much to the cold war. We felt that the Milstar program was geared far too much to surviving a nuclear conflict, an all-out nuclear war, on a worldwide basis.

That is the reason our Armed Services Committee zeroed the program out in our bill. We zeroed it out and then we got the Department of Defense in the conference to agree to very substantial changes in the Milstar program.

So the attack we have heard today has been against the Milstar program as it existed about 3 years ago and has almost nothing to do with the Milstar program as it is now.

What was changed? One thing that was changed according to all the records and this is indisputable—this is not a question of fact—our committee



insisted that the special survivability capabilities of all-out nuclear war be substantially and virtually completely eliminated because we did not think that was necessary. We felt we could save money. We also insisted that there be significant reduced communications capacity to communicate with strategic nuclear forces.

We greatly insisted there be a great expansion of Milstar's capability to provide rapid and secure communications to our tactical commanders in the theater.

In short, Madam President, we asked that this program be made and geared much more to a conventional tactical program and much less to a nuclear program, and we felt that that was necessary. In total, the restructuring trimmed Milstar's total program cost by \$13 billion. So this program is a substantially different program than it was 3 years ago.

Madam President, how much time do I have remaining?

The PRESIDING OFFICER. One minute, 20 seconds.

Mr. NUNN. I thank the Chair.

I would just like to read very quickly here General Shalikashvili's answer to a question about what Milstar is all about. This is a very recent dialog in the committee.

General Shalikashvili says, quoting him:

The Milstar system will support theater command and control, tactical combat forces, unscheduled service for submarines and special operation forces, and strategic warning and SIOP execution.

Milstar will satisfy many key requirements critical to successful military operations by a power-projection force:

Antijam—Milstar communications are virtually immune to jamming; the message goes through, always.

Covert—Milstar provides low probability of intercept/detection, use will not compromise submarine, special operations forces, and other user locations to enemy listening stations.

Deployability and Mobility—Milstar terminals—

These are the receiving units that will be in the forward areas.

Milstar terminals will deploy using tactical airlift and move with front-line forces.

Coverage and Connectivity—a complete constellation of four satellites will assure worldwide access anywhere (except the polar regions), anytime warfighters need it.

Interoperability:

This has been one of our big problems in tactical communications:

Army, Navy, Air Force and Marines—Milstar will enable immediate communications between the Services.

Reachback—Milstar will enable communications out of theater without reliance on foreign-based ground relays vulnerable to destruction, sabotage, or host nation politics. \* \* \*

It will also enable the Army's Mobile Subscriber Equipment system to provide global communications to commanders on the move.

Madam President, I ask unanimous consent that the text of this question and answer be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

*Question.* The first Milstar was recently launched. The plan is to launch a second Milstar with low data rate, to be followed by four more satellites with medium data rate capabilities. General Shalikashvili, can you comment on what an important asset this will be to our forces?

*Answer.* Yes, the Milstar system will support theater command and control, tactical combat forces, unscheduled service for submarines and special operations forces, and strategic warning and SIOP execution.

Milstar will satisfy many key requirements critical to successful military operations by a power-projection force:

Antijam—Milstar communications are virtually immune to jamming; the message goes through, always.

Covert—Milstar provides low probability of intercept/detection, use will not compromise submarine, special operations forces, and other user locations to enemy listening stations.

Deployability and Mobility—Milstar terminals will deploy using tactical airlift and move with front-line forces.

Coverage and Connectivity—a complete constellation of four satellites will assure worldwide access anywhere (except the polar regions), anytime warfighters need it.

Interoperability: Army, Navy, Air Force, and Marines—Milstar will enable immediate communications between the Services.

Reachback—Milstar will enable communications out of theater without reliance on foreign-based ground relays vulnerable to destruction, sabotage, or host nation politics.

As the terminal population increases and the medium data rate capability is added, Milstar will provide the above capabilities and more data to combat commanders faster. It will also enable the Army's Mobile Subscriber Equipment (MSE) system to provide global communications to commanders on the move.

In short, Milstar will enable efficient synchronization of combat power and will not be vulnerable to enemy efforts to deny us this capability. No other satellite system in existence can provide the flexibility and assurance of uninterrupted, communications of Milstar.

Mr. NUNN. Madam President, in short, the Milstar Program is the heart of our ability to communicate in the field with tactical units and to be able to have those units linked not only with each other but back to the field commanders. It is the heart of one of our great advantages in terms of America's position in the world now, and that is the ability to communicate with modern technology.

So I would argue against this amendment on two grounds. One is that the Milstar Program itself is an important part of our military capability; and, second, this is just another way of taking money out of defense and putting it in a domestic program. As important as that program is—and I am sure, knowing the Senator from Connecticut, that it is important—I do not believe we should continue to deplete our military forces.

We are bringing them down very rapidly. We have reduced the military

forces by one-third in the last 10 years. We have reduced its overall purchasing power. We still have danger spots in the world. All we have to do is read the daily papers to understand that.

I thank the Chair and I thank my colleagues. I urge the defeat of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I yield whatever time my colleague from Tennessee desires.

Mr. SASSER. I thank the distinguished Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Madam President, this amendment, I think, is a splendid bipartisan effort on the part of the Senator from Connecticut [Mr. DODD] and the Senator from Vermont [Mr. JEFFORDS] to do something about the urgent problem of education in this country today.

The Dodd-Jeffords amendment will add \$30.5 billion to function 500 for education and it cuts \$9.5 billion from function 050, the defense function of the budget. The amendment also spends some of the money from the Exon-Grassley amendment, but what finer way to do it.

This amendment shifts Federal dollars from the military side to the education side. As we have heard earlier, what it does, it cancels what is essentially, in my view, a cold war relic—Milstar. It takes a bite out of the enormous Intelligence Committee budget.

It is an amazing thing to me that, even with the cold war over, the intelligence budget is still funded at essentially the same level it was before the collapse of the Soviet Union; and this in the face of statements made by the leaders of the intelligence community in this country that at least 60 percent of their budget went to either gather intelligence against the old Soviet Union or to counteract intelligence efforts of the old Soviet Union. And even though the old Soviet Union is no longer there, according to public accounts, we are still spending in the neighborhood of \$30 billion for intelligence.

But the Senator from Connecticut and the Senator from Vermont understand where the real problems are and where the real threats are to this country. And the real threat is that we are not allocating enough of our investments, we are not investing enough resources in the most precious resource we have, and that is the children of this country.

If we invest in education of our children, we are going to reap a return on that investment that is very, very significant, indeed. If we continue to spend this money on a relic of the cold war, if we continue to spend it on intel-

ligence or spies or counterspies or whatever they do over there at the CIA and the Defense Intelligence Agency, what are we going to get out of that? They can make some economies over there in that intelligence budget, and we can do without Milstar, but we cannot do without educating our children.

Let me just remind my friend from Vermont and my friend from Connecticut, when this country came out of World War II, we passed something called the GI Bill of Rights. That was the largest investment to date that this country had ever made in allowing our young people and veterans coming out of that war to go to a college or university; the greatest commitment of resources we had ever made. And some criticized it.

But what was the result? In many, many families, the overwhelming number of them, the first person to get a college education in that family, ever, got it through the GI Bill of Rights.

And what about that investment? When those young men and women started coming out of those colleges in the late forties and the early fifties, they precipitated the greatest economic expansion this country had ever seen, with their expertise in engineering, in physics, in all of the sciences and in the social sciences. Our country was infinitely better off culturally, socially, economically, and stronger in every way because of that investment in education.

Well, this very splendid bipartisan amendment that we have before us today, offered by our friend from Connecticut and our friend from Vermont, does essentially the same thing and tracks down the same course. And what these Senators are saying is: We need to invest more in education. We can afford to invest less in exotic military hardware and less in the gumshoe business in this time in which we live now.

I commend them and congratulate them for working together in a bipartisan way to bring this very fine amendment to the floor. I suspect if the parents and the teachers of this country could come to this Senate today and vote, by an overwhelming margin the parents and teachers of this country would vote for the Dodd-Jeffords amendment. I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Madam President, how much time remains on each side of this issue?

The PRESIDING OFFICER. The Senator from Connecticut controls 8 minutes and 18 seconds; the Senator from New Mexico controls 24 minutes.

Mr. DODD. Madam President, I inquire of the Senator from New Mexico, if he is within earshot, as to whether or not they intend to yield back the remainder of their time? We can wrap-up

here very quickly and then move to the next amendment. I do not want to yield back all the time and then have 24 minutes be used in opposition to the amendment.

Madam President, I yield 2 minutes to my colleague from Vermont.

Mr. JEFFORDS. Madam President, first of all I commend the chairman of the Budget Committee for a very excellent statement which puts things in perspective.

I would like to make my colleagues aware that investment in 1947 to meet the education crisis of that time, was about \$30 billion in constant dollars today. Back in those days, that was a lot of money and a big percentage of the budget. It raised the percentage of Federal spending in education from about the percentage we are at now to 10 percent.

I think it is important to recognize that, because that was the kind of commitment which paid off so much for this Nation in its ability to reconstruct, not only this country, but also to assist with the educational capacity of the rest of the world. It was a big factor in bringing down the Berlin Wall and ending the cold war.

Second, we are in a crisis, and I will speak more about that later if we have time. But let me quote from the 1983 At-Risk Report by the Reagan administration.

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war.

I cannot overemphasize in my opinion, and the opinion of businessmen and educators across the country, that is an accurate description of where our educational system is today.

When I first came to the Senate and was on the Education Committee, a group of CEO's, the Business Roundtable, came to me and asked me to meet with them. I expected they would talk to me about the problems of taxation and the problems of resources and all those sort of things in the industrial world. What they asked me, was to do what I could to fully fund the Head Start Program. They recognized, as we must recognize, that unless we start at that early age—whether it is for those with disadvantages or not—we will not end the problems of education that threaten this Nation economically and socially.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. DODD. Madam President, if my colleague would like an additional 2 minutes I will be glad to yield it to him.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Yes, I would like to emphasize another aspect.

My colleague from Connecticut outlined the impact we have had on spe-

cial education and the impact we have had on property taxes that relate to it. My town meetings just finished in March of this year. In my own school district, only 2 of 10 towns were able to pass the school budget. The whole crisis revolved around the increased costs of special education.

Whether it will mean a reduction in property taxes or not, I assure my colleagues what we do today will reduce the burden on property taxes and at least not make them any more burdensome than they are.

We used to have balanced programs in our school. Senator Javits, who many Members here remember well, established years ago a program for the gifted and talented. That was a good program and it balanced things out. It said we have gifted and talented young people in this country who need to be brought to their fullest performance levels. We dedicated resources to that.

But since the burden has been placed on special education in these older communities, and in the States, that money being spent for our gifted and talented has shrunk so far that out of the \$247 billion we spend on the K through 12 programs now, only \$9 million of Federal funds are provided to the gifted and talented. That has created a crisis for us as we look to the future, recognizing that only if we bring our talented students forward can we maintain the kind of educational capacity that we need to provide the brains to the Nation's corporations that will make the country what we want it to be in the next century.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. The Senator from New Mexico is here on the floor. I would say to my colleague from New Mexico, if he cares to wrap-up and then we can move onto the next amendment?

Mr. DOMENICI. Senator, could we have a minute quorum call? I wanted to engage in a conversation.

Mr. DODD. I do not mind, counting it against the Senator's time, because we are almost out of time.

Mr. DOMENICI. Oh, yes. Counting it as my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, so Senators will know, we are going to be through in about 6 minutes. Then Senator BOXER is going to lay down her amendment pursuant to the previous request.

There are not very many Senators in this body that I have more respect for and work more closely with on a num-



ber of issues than Senator DODD. But, frankly, I think the arguments have been made as to why we should not adopt this amendment—let me just repeat them in my own language, as I understand things. I say to my good friend from Connecticut, if in fact his amendment was adopted, I regret to tell him that there is very little probability that education program that he so much is working for, he and Senator JEFFORDS from Vermont—that part of education that has that mandate on it, that requires the States and localities to put so much resource in it—there is little probability that discretionary money, having been put back, will go to those accounts.

I know that is my view. The Senator is very welcome when he stands up to say what his view is. But, frankly, I think it is time to play square with everybody about moving this discretionary money around as if it was meaningful. It may come as a shock for Senators to know, but in my quest for information I found since the Budget Act was adopted, two times in the history of 20 years have the appropriators adopted the functional totals that appear in budget resolutions.

That is big language. What does it mean? It means the priorities set in the budget resolution or amended on the floor and put in the budget resolution, are an expression of desire, nothing more. Because only twice have the appropriators, when they took the dollars and doled them out to the subcommittees, which is their prerogative under current law, have they looked at the function "education," which my good friend is amending—and if he were to win, there would be a dollar number in that function which, if the Senator from Connecticut and the Senator from Vermont have their way in appropriations—they would say put all this new money in this program. The truth of the matter is only twice in 20 years has that function been transferred right over and funded exactly at the levels suggested by the budget resolution.

So I do not think—as much as the two Senators on the floor espousing this speak of the desperate and dire need—I do not think everybody need construe it as an amendment that indeed dramatically increases the Federal share of aid for special education.

It will add to the discretionary accounts and be made available for the appropriators to spend in discretionary or defense accounts so long as they meet the cap.

The Senators can say nonetheless it is a very important vote; it does put back half of the deficit savings of the Exon amendment. That is undisputed. So we will save that much less in terms of the next 5 years as we apply this budget resolution. Now that will happen because that is part of the caps which must be enforced in their totality. So it will happen.

Second, I just want to say, it is fairly easy to take an amendment and say I want something that is very important, that everybody is going to think is very important, and I want to take some money out of defense to do it. I fault nobody for that, other than to say, again, it does not always happen that way, even if you vote for it in this manner. But I am going to assume that the sponsors are serious about that and, therefore, I just say the President of the United States happens to be right; he does not think we ought to cut defense anymore. He made an eloquent plea for it in his State of the Union Address. In fact, I think he said it three different ways, that we had cut defense enough, do not cut it anymore.

My suggestion is that the Senators who want more funding in this special education ought to start fighting very quickly for more funds in the appropriations process. And they might be surprised. They might get more funds even if this amendment is not adopted, because it is strictly up to the appropriators as to whether they do it or not.

I yield the floor and yield back any time I might have.

Mr. DODD. Madam President, how much time remains?

The PRESIDING OFFICER. Two minutes 22 seconds.

Mr. DODD. Madam President, let me wrap up here. I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Madam President, let me respond to my colleague from New Mexico. With the adoption of the Exon-Grassley amendment, defense is going to be adversely affected regardless of whether or not this amendment is approved.

Let me say to my colleague from New Mexico, the Senator from Iowa, who chairs the Labor-HHS Appropriations subcommittee and who does out the money for special education, is a cosponsor of this amendment. I agree that unless Members decide to back what we are doing in the appropriations process, he is right, we are in trouble. I know of no other way to further that cause than to establish our priorities collectively in the budget process. By doing so we, as a body, may speak and say this is important. The fact that the chairman of the committee who will make the decision on the final funding issues is a cosponsor of the amendment, I think enhances our chances.

But more important is the substance of what we are talking about: Property taxes, the American dream of owning a home. Here we have a tax at the local level which is growing in leaps and bounds. The pressure on the local communities is staggering. This amend-

ment says that additional Federal resources should go to try to reduce the local and State commitment that is presently taxing them so much, and have the Federal Government live up to its commitments. We are not even close to meeting our commitment.

If we speak with one voice here, if the Senator from New Mexico, my good friend, would support me on this amendment—he sits on the Appropriations Committee—with his backing and the backing of the Senator from Iowa, we might do something for local property taxpayers.

He is right; we cannot guarantee it. But if my colleagues say this is important today, I am willing to bet we will get it done in the appropriations process. But if we walk away from it, he is right, we will go off and spend the money someplace else and the local property taxpayer, once again, will be hit between the teeth. Here is an opportunity to provide relief.

I urge the adoption of this amendment.

#### INCREASED FUNDING FOR SPECIAL EDUCATION IN BUDGET RESOLUTION

Mr. DOLE. Madam President, we had a vote today to increase special education funding, and I voted against it. I was not happy about that. Since coming to the Senate 25 years ago, I have been a vigorous advocate on behalf of people with disabilities.

Indeed, in 1975 I voted for the original Education For All Handicapped Children Act, which sought for the first time to ensure that students with a disability had equal opportunity for an education. In that legislation, Congress made a promise to help our Nation's schools with the high cost of educating children with disabilities. We said we would pick up 40 percent of the extra costs. But our followthrough has been dismal. This year we came through with a whopping 8 percent. That's right, 8 percent. The net result is that today we are shortchanging our Nation's schools by almost \$8 billion a year.

Madam President, I would have voted for this measure if the offsets were acceptable. I regret that no one approached me or my staff as this amendment was being developed, because together we might have arrived at some agreement. Next time I hope we can work together.

Madam President, I also want to make another point. We could have fully funded our special education promise a long time ago if we would focus on our proper responsibilities. But instead of paying for what is due before starting something new, the Senate has gone on an education spending spree. Over just the last 9 months, we passed National Service, Goals 2000, Safe Schools Act, and School to Work. In total, the Senate has voted to authorize over \$4 billion in new spending.

In fact, if we paid for special education as promised, schools would have

far more money themselves to pay for reforms and new programs they need.

Madam President, it is past time we got our education house in order. Next time when we are tempted to vote in favor of some new and maybe even worthwhile program, let us remember what our priorities should be. And in my view, special education funding should be one of our top education priorities.

Mrs. FEINSTEIN. Madam President, I rise today to oppose the Dodd amendment and in support of the Milstar Program.

I do not oppose increasing Federal funding for special education programs. In fact, in the past I have voted in favor of resolutions calling on Congress to increase the Federal contribution to educating children with disabilities. However, I do not think that this increase in funding should come at the expense of the Milstar Program and U.S. national security.

And, Defense Secretary Perry and the Joint Chiefs of Staff also agree that Milstar is important to U.S. national security and strongly support the program.

Let me read a quote from Secretary Perry.

Some people consider Milstar a cold war relic. We have totally, beginning already with the Bush Administration and continuing under this Administration, completely reconfigured that system so that many of the factors which made it so expensive—which is the ability to withstand nuclear blasts and so on—those features no longer exist in Milstar. What does exist in Milstar is the ability to connect our tactical units worldwide with high quality, high resolution, digital data, so they can pass demands back and forth, they can pass targeting data, they can pass intelligence information, and it does it in such a way which is highly resistant to interference, such as jamming.

So, Milstar is no longer a cold war relic that was designed to meet strategic threats, such as a nuclear war. In fact, Milstar will be used in many tactical environments. The whole point of producing the 1,200 remote Milstar terminals is so our troops in the field can communicate directly with other forces and commanders anywhere in the world.

Under a conventional war scenario that the Department of Defense ran in the Middle East—a scenario similar to the Persian Gulf war—more than 70 percent of all military communications would use Milstar satellites. So, this is not a relic of the cold war.

As the Joint Chiefs of Staff have said, there is a definite military requirement for the Milstar Program. In fact, the bottom-up review states that "the military requirement for a jam-resistant advanced EHF communications system providing capability equivalent to Milstar II was reaffirmed early in the process."

But, costs were also considered in the bottom-up review. The report goes on

to state that "another important objective was to identify options that offered substantial cost savings relative to the current Milstar Program."

In fact, since the original Milstar Program was established, \$20 billion has been trimmed off the cost of the program—that is almost half the costs. This includes reductions as a result of the bottom-up review that analyzed four different options for savings.

Would canceling the Milstar Program save some money? Yes, but at what cost to national security. According to Secretary Perry and the Joint Chiefs of Staff—who have already reviewed the program and made substantial cost reductions—the threat to national security by terminating the Milstar Program would be extremely high.

In addition, cancellation of this program would result in the loss of 8,000 direct jobs nationwide. More than half of these job losses would come from California—a State that has already been adversely affected by defense downsizing with the loss of 250,000 defense-related jobs in just the last few years.

I support cutting Government spending and favor efforts to reduce the deficit. In fact, the budget resolution, as reported out of committee, already cuts an additional \$43.2 billion in discretionary spending over 5 years.

I also plan to continue supporting funding for special education programs. But, I can not support this particular amendment.

Mr. KOHL. Mr. President, I rise in reluctant opposition to this amendment. The Dodd amendment seeks to do something very good. I simply cannot support the way it does that good.

The Dodd amendment would transfer \$6 billion to special education in fiscal year 1995 and \$30.5 billion over the next 5 years. I support that transfer. It is imperative that children with special needs get an appropriate and full education. However, meeting the unique needs of all special education students is a costly goal. State and local governments—who provide the lion's share of education expenses—are stretched thin just providing basic education services. They desperately need Federal help to also meet our obligations to special needs children.

I also support transferring money from defense spending to special education funding—which the Dodd amendment proposes. We can spend all the money in the world on defense, but our Nation will not be strong unless our children are strong. And our children will not be strong unless they receive education that is appropriate to their special needs.

What I do not support in the Dodd amendment—and what will cause me to vote against it—is that it cuts in half the so-called Exon-Grassley discretionary spending decrease. As you all know, in the Budget Committee, an

amendment was agreed to that cut an extra \$26 billion over 5 years. These new spending cuts are substantially more than recommended by the President and substantially more than a freeze would require. Last year, we appropriated \$550 billion in nonentitlement funds. If this resolution passes, we will appropriate \$540 billion—and stick at that level for the next 5 years.

I support these new cuts. They are enforceable. They are reasonable. And they respond to the desire of the American people to see congressional spending go down. I cannot support an amendment that goes back on these cuts.

And I must say, I do not believe that going back on these cuts is necessary. We could, as Senator DODD suggests, cut Milstar. We could cut intelligence funding. We could cut other military programs and put the money into special education. We do not need to go back on our commitment to scale back total appropriated spending in order to fund the very important priorities supported by this amendment.

The PRESIDING OFFICER. Under the previous order, the pending amendment, No. 1561, is set aside until 2:15 p.m. and the Senator from California [Mrs. BOXER] is recognized to offer an amendment. There will be 20 minutes equally divided for debate on the Boxer amendment. The Senator from California.

#### AMENDMENT NO. 1562

(Purpose: To increase funding for children's programs)

Mrs. BOXER. Madam President, I am indeed honored to offer this amendment. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself, Mr. LEAHY, Mrs. FEINSTEIN, Mr. DORGAN, and Ms. MOSELEY-BRAUN, proposes an amendment numbered 1562.

Mrs. BOXER. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 22, increase the amount by \$180,000,000.

On page 17, line 23, increase the amount by \$180,000,000.

On page 24, line 17, increase the amount by \$320,000,000.

On page 24, line 18, increase the amount by \$48,000,000.

On page 25, line 1, increase the amount by \$171,000,000.

On page 25, line 9, increase the amount by \$99,000,000.

On page 25, line 17, increase the amount by \$2,000,000.

On page 26, line 8, increase the amount by \$400,000,000.

On page 26, line 9, increase the amount by \$180,000,000.

On page 26, line 16, increase the amount by \$178,000,000.



On page 26, line 23, increase the amount by \$42,000,000.

On page 30, line 20, increase the amount by \$100,000,000.

On page 30, line 21, increase the amount by \$91,000,000.

On page 31, line 3, increase the amount by \$9,000,000.

On page 41, line 11, decrease the amount by \$1,000,000,000.

On page 41, line 12, decrease the amount by \$499,000,000.

On page 41, line 19, decrease the amount by \$358,000,000.

On page 42, line 1, decrease the amount by \$141,000,000.

On page 42, line 8, decrease the amount by \$2,000,000.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. I understand under the unanimous-consent agreement that I have 10 minutes; is that correct?

The PRESIDING OFFICER. That is correct.

Mrs. BOXER. May I proceed?

The PRESIDING OFFICER. The Senator from California may proceed.

Mrs. BOXER. At this time, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. BOXER. Madam President, the amendment that I have sent to the desk is a pay-as-you-go amendment. Under my amendment, we cut \$1 billion from nonessential travel across the Federal Government. We then take those savings and use them for five crucial programs for children.

These children's programs work. I know that you know that from your experience in Illinois, Madam President, and I certainly know that from my experience in California.

I ask unanimous consent to add the following cosponsors to my amendment: Senator LEAHY, Senator FEINSTEIN, Senator DORGAN, and Senator MOSELEY-BRAUN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Madam President, it is an honor for me to serve on the Budget Committee. In the House of Representatives I served on the Budget Committee for 6 years. I like the assignment because on the Budget Committee, you have a chance to step back and really look at the spending priorities for our country. It is the larger picture, and it is a time when we can decide what our priorities should be in the long run. In other words, it is not the line items we consider, but who we are as a Nation, and where we are making our investments, and what is important to us.

People often ask me when I am home in California, and I am sure they ask you, Madam President: "Senator, what is your long-range plan to get this country on the right track?" For example, they will say, "What is your long-range plan for fighting crime? We know that you are tough on crime, we

have seen that, we appreciate that, but that doesn't really speak to the future."

And then they will say: "What is your long-range plan for fighting the drug problem?"

I will answer it in this way: I will say in the short term, we have a serious problem, we have to get tough, crack down and send no mixed messages. But if we are really talking about the future, and we are talking about finding solutions for the problems that we have, and building a new society, one that is less violent, one that really has as its hallmark the inclusion of everyone, we need to honor our children. We need to invest in our children. We need to understand how important they are to society. We need our children to be healthy mentally and physically if they are to have a stake in this country and not be alienated from it.

The amendment that I offer, which is a pay-as-you-go amendment, is a step in that direction. We are talking about investing in the following five programs: \$120 million for Head Start, which will provide Head Start slots for approximately 24,000 children, Madam President. You and I know Head Start works. We know it works. We know that the children who go through Head Start have a much better chance of success than those who do not.

This amendment will add \$200 million for childhood immunization. I have to say this: It makes no sense to let our infants and children go without immunizations because for a small cost up front they will not get the measles, they will not get sick, they will not have brain damage, and we save a lot more in the long run. This amendment, Madam President, that you have so graciously offered to cosponsor is clearly an important investment. We will immunize approximately 2,150,000 more children than before with the Boxer amendment. We will also add \$200 million to the maternal and child health block grant which provides funding to States for health care for children and pregnant women.

It is crucial in our fight against infant mortality and low birthweight babies. We add \$200 million to the child care development block grant; 44,000 children will get the child care they need so they will not be latchkey children; and we add \$100 million for the WIC program, which provides nutrition to low-income, pregnant women, infants, and children. We know it works. We have to have healthy babies. If we do not have healthy babies, we are making a terrible mistake for the future. My amendment will increase the level of participation and provide services to 200,000 pregnant women, infants and children.

Finally, Madam President, we give a \$180 million increase to TEFAP, The Emergency Food Assistance Program which feeds the hungry and the home-

less in our communities. Unfortunately, many of the hungry and homeless are increasingly children and families.

Madam President, around here you throw around a billion dollars like it does not mean much, but when it comes to programs for children, it means a lot.

We must do this. Yes, it is true that we are cutting back on the travel accounts across the Federal Government. But I do not think it is so bad if some of our Federal agencies stay put for a while so our children can move forward. I think that this amendment will have broad bipartisan support. I am certainly hopeful of that. I am proud to offer it.

I ask unanimous consent that Senator WOFFORD be added as a cosponsor of the Boxer amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Madam President, do I have any time remaining in the 10 minutes?

The PRESIDING OFFICER. There are 3½ minutes remaining.

Mrs. BOXER. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Or I would offer it to my chairman if he would like to enter into the debate.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. I thank the Senator from California. I simply wish to commend her for offering this splendid amendment. I think her suggestion that perhaps some of our Federal officials could stay put so our children could move ahead is a suggestion well made, indeed.

These programs which the Boxer amendment would boost have been heralded many times on the Senate floor—the Head Start program, the Women, Infants and Children Feeding Program, and childhood immunizations. The common denominator of these programs is the high rate of return they offer for a relatively small investment.

I congratulate the Senator from California for offering this amendment. It just makes sense to vaccinate a child rather than having to care for a polio victim. It just makes economic sense. And of course, there is much, much more to it than that.

I share my colleague's enthusiasm for the WIC Program. It is a program that is exceedingly cost efficient. It has been proven over the years that we can save literally millions of dollars by treating babies that might be the result of undernourished mothers or children that are undernourished through the WIC Program. I think it is a fine amendment that the Senator from California offers, and I commend her for it.

One in five children in this country now lives in poverty. We have made

enormous progress over the past 30 or 40 years in dealing with the problems of our older citizens; 50 years ago it was our older citizens who were living in poverty. Now we have reversed that to some extent with Social Security, Medicare, and a whole host of programs for our older citizens. But it is our children now who live in poverty. It is shocking that 25 percent of the children in this country live in a family below the poverty level.

What the Senator from California seeks to do in her usual compassionate and perceptive way is to throw out a longer lifeline to these children who are in very dire need. I thank her for offering this amendment.

The PRESIDING OFFICER. The Senator from California has 30 seconds remaining.

Mrs. BOXER. I ask unanimous consent to add the Senator from New Jersey [Mr. LAUTENBERG] as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. I thank my chairman. He leads the Budget Committee in a way which all America can be proud, and I believe his priorities certainly reflect the priorities of the Nation. Invest in our children. It is the right thing to do. In the long run it will help to solve our problems and save money.

I understand my time has expired, and I look forward to a bipartisan vote on my amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Tennessee.

Mr. SASSER. Madam President, is there no time remaining on the Boxer amendment?

The PRESIDING OFFICER. There are 10 minutes for the opposition.

Mr. SASSER. But no time for the proponents?

The PRESIDING OFFICER. No time remaining for the proponents.

Mr. SASSER. Madam President, I see no opponents of the amendment present.

Mr. President, the distinguished Senator from Pennsylvania has arrived. He wishes to speak in support of the Boxer amendment. I ask unanimous consent that I be allowed to yield 5 minutes to the distinguished Senator from Pennsylvania to speak in support of the Boxer amendment and the Dodd-Jeffords amendment, as I understand it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Senator for the allocation of time and the unanimous consent request.

I do support the Dodd-Jeffords amendment which would add \$6 billion for education grants. This is an amendment which I had discussed with both the Senator from Connecticut and the Senator from Vermont in terms of increasing education funding.

In my capacity as ranking Republican on the Subcommittee on Labor,

Health, Human Services, and Education, where I work with Senator HARKIN, the funding for education is grossly insufficient and the allocation for that subcommittee, where we have to make the division among items like industrial safety, mine safety, the National Institutes of Health, and education programs, is extraordinarily difficult. When the budget allocations are finally made and they come into the appropriations process, this money will give us some substantial additional discretion. I have long believed that the allocation for that subcommittee ought to be substantially larger.

On the amendment offered by the Senator from California, which would increase funding in Head Start, child immunization, maternal and child health care block grants, WIC, and child care, those again are items which are funded out of the subcommittee where I serve as ranking Republican, and there is a great shortage of funding in that subcommittee.

One of the items which has been cut very materially by the administration is the program for so-called LIHEAP, financial assistance for energy for low-income families. And while some of those funds have been reinstated by the Budget Committee, I intend to offer an amendment later today which would add additional funding for LIHEAP.

Pennsylvania is a very cold State, and every year there are many of my constituents who write, travel, or call about that allocation. There are some States which are even colder than Pennsylvania where LIHEAP funds are necessary.

So that an amendment in the budget allocation, or item such as that proposed by Senator DODD, Senator JEFFORDS, and Senator BOXER, will be enormously helpful in meeting urgent needs in the Subcommittee on Labor, Health, and Human Services, and Education. And on their face, these are excellent amendments. When the Senator from California takes a deduction of 20 percent in travel expenses, that kind of an item is an attractive line for a budget cut. But I think there can be savings on items like travel cuts.

The matter of allocation is always difficult. But in the face of the important programs which are identified here, I think these are worthwhile amendments.

I thank the Chair.

I yield the floor.

#### ORDER OF PROCEDURE

Mr. SASSER. Madam President, I ask unanimous consent that the vote on the Boxer amendment occur immediately upon the disposition of the Dodd amendment. I am advised this has been cleared with the Republican leadership. There is no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CORRECTION IN COMMITTEE REPORT

Mr. SASSER. Madam President, I wish to announce that there was an error in the committee report regarding the votes on the Lautenberg amendment to terminate the space station in order to fund law enforcement. In the committee report on page 227, the distinguished Senator from Mississippi [Mr. LOTT] is incorrectly recorded in the affirmative. In reality, the Senator from Mississippi voted against the Lautenberg amendment. I ask unanimous consent that the RECORD show that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. For the information of Senators, let me note that under the previous order, the Senator from Mississippi [Mr. LOTT] is next or was next to be recognized to offer an amendment. Under the previous order, we will have two back-to-back votes beginning at 2:15. The first will be on the amendment of the Senators from Connecticut and Vermont. The second will be on the amendment of the distinguished Senator from California.

Madam President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SASSER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Madam President, I ask unanimous consent that the Senator from South Dakota be allowed to speak for 3 minutes as in morning business and that the time be charged against the resolution equally on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AID TO PAKISTAN

Mr. PRESSLER. Madam President, the Clinton administration has announced that it wishes to lift the restriction on aid to Pakistan on a one-time basis and deliver F-16 aircraft to that country. As my colleagues may know, such aid is now prohibited under the so-called Pressler amendment, a law which says that Pakistan cannot receive military or certain other forms of aid so long as the President fails to certify that the country does not have a nuclear explosive device.

I am very much opposed to the Clinton administration's proposal because I think it will both increase nuclear proliferation and escalate the arms race in that part of the world. India will respond by seeking additional fighter aircraft.



I find it very strange that an administration committed to nuclear non-proliferation would seek to achieve that goal by delivering aircraft that can deliver a nuclear bomb to another country.

I am strongly opposed to the Clinton administration's plan. I hope the administration reverses itself. I think we need to reflect very carefully on the history of this amendment. It was passed in the mid-1980's with the support of Pakistan. At that time Pakistan said they did not have a nuclear bomb nor were they developing such a weapon. In the early 1990's, President Bush was unable to certify that Pakistan did not have a nuclear weapon, and aid—including the sale of military weapons—was cut off. Any renewal of assistance, including a one-time exemption, would require congressional approval.

I could perhaps see some logic if the administration were going to substitute renewal of some other kind of aid in exchange for Pakistan putting a cap on its nuclear weapons. However, make no mistake. I would seriously question even that type of approach. Unfortunately, all the administration seems to be seeking from Pakistan is an agreement not to build any more nuclear weapons. In exchange, Pakistan gets the F-16's with which they can deliver a nuclear bomb against India.

This would be disastrous for a region that has already endured numerous wars and conflicts. It would mean increased proliferation of both weapons of mass destruction and conventional weapons in that region of the world. In addition it would set an extremely bad precedent.

Our CIA has said—and this has been published in the newspapers—that the existence of the Pressler amendment has played a role in causing Egypt, South Africa, and Brazil to abandon their nuclear weapons programs due to the consequences in Washington. This is the only law that exists on nuclear nonproliferation that has any teeth. If Congress were to repeal the Pressler amendment—even by granting a so-called one-time waiver—it would send a very encouraging signal to every other nation contemplating a nuclear weapons program.

It appears President Clinton and Vice President GORE have not focused on this issue. I say this because the administration's new proposal runs contrary to everything they said in their campaign. It astounds me that this administration, at least the Departments of State, Defense, and the Arms Control and Disarmament Agency, is proposing to make this change.

I believe this process is to a great extent being driven by a desire on the part of the manufacturer to keep the production line hot and build more F-16's. I understand there are strong ar-

guments for creating employment opportunities for people in various parts of the country. However, there are other much cheaper ways to achieve this goal without destabilizing entire regions of the world and encouraging the proliferation of nuclear weapons and other weapons of mass destruction.

Madam President, I ask unanimous consent to place additional material in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE.

Washington, DC, March 8, 1994.

The PRESIDENT,  
The White House,  
Washington, DC.

DEAR MR. PRESIDENT: I would like to request five minutes at your earliest convenience to discuss nuclear non-proliferation policy.

Despite repeated assurances from members of your Administration, including Deputy Secretary of State Strobe Talbott and Secretary of State Warren Christopher, I have heard from several sources within the Administration about an attempt to grant an exception to the Pressler amendment. As you may recall, the Pressler amendment prohibits aid to Pakistan unless the President certifies annually that Pakistan does not possess a nuclear explosive device.

Mr. President, I seek a meeting with you to underscore the importance of retaining the only nuclear non-proliferation law in force currently. I would appreciate having a meeting of no more than five minutes, which can occur in your office, or during a morning run. Should such a meeting prove impossible to schedule, I will raise this issue the next time I am at the White House, or if you should visit the Senate. While I would rather not raise this issue in such a public setting, I think it is critical for the Administration to send a consistent signal about the importance of nuclear non-proliferation.

Sincerely,

LARRY PRESSLER,  
U.S. Senator.

[From The New York Times, Mar. 23, 1994]

SOUTH ASIAN LANDS PRESSED ON ARMS

(By Michael R. Gordon)

WASHINGTON, March 22.—Worried about an arms race between Pakistan and India, the Clinton Administration is proposing a series of agreements to stop the production of nuclear weapons in South Asia and the deployment of ballistic missiles, Administration officials said today.

Deputy Secretary of State Strobe Talbott plans to press the arms control efforts when he visits India and Pakistan next month, the officials said.

While American officials have long been concerned about the nuclear programs of Pakistan and India, Washington's arms control efforts have acquired a new urgency because of advances in the two sides' nuclear and missile programs.

According to American intelligence reports, India will soon field new surface-to-surface missiles and Pakistan is also developing a new missile with help from China.

OPPOSITION ON CAPITOL HILL

But a key element of the Administration's plan could face stiff opposition on Capitol Hill. As an opening move, the Administration is offering to deliver to Pakistan F-16

jet fighters that have been blocked by Congressional legislation, if Pakistan agrees in return to accept a verifiable ban on production of nuclear material for nuclear weapons. When the White House raised that idea on Capitol Hill recently it met with a mixed reception.

And all experts agree that negotiating the accord would require overcoming difficult political issues in both Pakistan and India, particularly in light of Washington's currently strained relations with New Delhi.

The Administration's effort also comes as Pakistan and India have continued to differ over Kashmir and are proceeding with weapons programs, including the development of missiles.

"India and Pakistan have the ability to move rather quickly to deploy nuclear weapons and are moving fast to deploy longer-range missiles," said Lynn E. Davis, Under Secretary of State for International Security Affairs.

PROPOSALS BY THE UNITED STATES

Washington is proposing several steps to restrain the arms race. One is an agreement by India and Pakistan banning the deployment of surface-to-surface missiles, which would give each side the ability to launch nuclear strikes rapidly.

Another is a set of separate proposals to Pakistan and India that they agree to stop producing nuclear material for nuclear weapons and agree to international inspections to determine that they are keeping their pledge.

That would still leave the two countries with small nuclear arsenals, but officials say that "capping" each side's nuclear potential is a far more realistic step than trying to immediately negotiate the elimination of each side's nuclear weapons stocks, which would, however, remain the ultimate goal.

The Administration also wants to establish a multinational forum to consider ways to build confidence between the two sides and reduce tensions.

INCENTIVES FOR ARMS CURBS

To persuade India and Pakistan to agree to ban the production of bombgrade materials for nuclear weapons, the Clinton Administration is offering various incentives.

In the case of Pakistan the administration is offering to deliver weapons Islamabad purchased but never received because of the Congressional restrictions on aid to Pakistan, including F-16 fighters and P-3 anti-submarine warfare planes.

Legislation sponsored by Senator Larry Pressler, the South Dakota Republican, and adopted in 1985, bans military aid to Pakistan unless the President can certify that Pakistan does not possess nuclear weapons. Because of advances in the Pakistani nuclear program, the White House has been unable to make that certification for the last four years.

Administration officials say the Pakistani military wants the F-16's because its Air Force's planes are getting older. But experts say that letting international inspectors visit will be a difficult political hurdle for the Pakistani Government.

The Clinton Administration is calculating that Congress will support a "one-time" exception to the Pressler amendment if an agreement can be reached with Islamabad that would ban the production of nuclear material.

Whether lawmakers would agree is unclear. Senator Pressler has expressed alarm at the proposal. But Representative Lee H. Hamilton, the Indiana Democrat who heads

the House Foreign Affairs Committee, has argued that the Pressler amendment has failed to slow the Pakistani program and should be replaced with a broader strategy.

[From the Washington Post, Mar. 23, 1994]  
THE UNITED STATES PROPOSES SALE OF F-16'S  
TO PAKISTAN

(By R. Jeffrey Smith)

The Clinton administration wants to give Pakistan new F-16 fighter planes in exchange for proof that the country has capped its nuclear weapons program, Undersecretary of State Lynn E. Davis said yesterday. The proposal would require U.S. lawmakers to take the politically difficult step of exempting the F-16 warplanes from a congressional ban on U.S. weapons sales to Pakistan that took effect in 1990 after the country built its own nuclear bomb.

Some arms control experts and congressional aides have raised questions about the plan, saying it could effectively reward Pakistan for flouting U.S. warnings not to develop nuclear weaponry and also may wind up provoking India to purchase more advanced weapons of its own to offset the Pakistani warplane purchase.

But the Clinton administration is portraying the proposed \$658 million sale of 38 F-16s to Pakistan as a first step in a new diplomatic strategy aimed at getting around the long-standing nuclear stalemate between India and Pakistan. U.S. officials worry that the two arch-enemies might soon deploy new ballistic missiles capable of hurling nuclear warheads at each other.

Deputy Secretary of State Strobe Talbott plans to present the new U.S. plan to Islamabad and New Delhi during a two-day visit to each city next month, Davis told reporters at a breakfast meeting.

"The basic premise is that you have to have something worthwhile for the Pakistanis to pursue this," a State Department official said on condition he not be named. "You have to start out with something" that eases Pakistan's military anxieties and improves its ability to compete with superior Indian forces.

Davis and other U.S. officials said that under the new strategy, Pakistan would get the new warplanes only if it accepts international inspections of key nuclear facilities, proving to India and other nations it is no longer making highly enriched uranium for nuclear arms.

India would then be asked to accept similar inspections at nuclear reactors capable of making plutonium for nuclear arms.

These moves, officials said, are meant to defuse tensions growing out of mutual suspicion about nuclear weapons development programs. Proving that both nations have halted production would be "a first step toward the reduction and elimination" of these weapons at a later date, Davis said.

Additionally, both India and Pakistan will be asked to take part in new regional security discussions involving all five declared nuclear powers as well as Japan and Germany.

They also will be asked to sign a ban on nuclear tests and an agreement barring any ballistic missile deployments. But the proposed warplane sale to Pakistan—which has been aggressively promoted in Washington by the F-16's manufacturer, General Dynamics Corp.—would not be conditioned on these promises, just the nuclear inspections.

Officials said the strategy reflects an administration decision that its policy of low-visibility, patient diplomacy in the Asian subcontinent has not made enough headway.

They said Washington has chosen to pursue a higher-profile effort to try to fend off potential deployments of the new Indian and Pakistani missiles later this year.

Washington is not considering offering India any reward such as F-16s to gain its participation, and some officials predicted that Talbott will encounter significant resistance there. "Maybe they think they can get it for free, because we are not aware of any programs [such as the F-16] for India," said an Indian diplomat.

Said Sen. Larry Pressler (R-S.D.), the sponsor of the legislation that blocked military sales to Pakistan: "I feel very strongly it would be a mistake to \*\*\* have a one-time lifting of the amendment."

Several arms control experts who criticized the proposal noted that last March when lawmakers asked Gordon Oehler, the CIA's top expert on proliferation matters, which weapons systems Pakistan might use to deliver its nuclear weapons, Oehler replied, "Our best judgment right now would be the F-16s."

But a senior U.S. official said that in response to congressional criticism, "we will find ways to verify" that the F-16s are not modified for that purpose. The official added that as of now, "we're not sure how" this might be accomplished.

[From the Washington Times, Mar. 23, 1994]

#### PAKISTAN NUKE CAP MIGHT WIN ARMS

The Clinton administration wants Pakistan to cap its nuclear weapons program in exchange for a one-time exemption from the congressional ban on U.S. military aid, Undersecretary of State Lynn Davis said yesterday.

If Pakistan accepts the deal, the administration will ask Congress to lift the Pressler Amendment and allow the delivery of F-16 fighters that Pakistan purchased from the United States, she said.

Delivery was held up by the 1985 congressional dictum that blocks all but humanitarian aid unless the U.S. government can certify Pakistan is not producing a nuclear bomb, something U.S. officials have been unable to do since 1990.

Miss Davis told a breakfast meeting of reporters that getting Pakistan to cap its nuclear program is part of an effort to stem nuclear proliferation in South Asia.

The proposal is for a one-time exception to the military aid ban with the goal of getting Pakistan to cap production of atomic material in a manner that could be verified, said Miss Davis, who heads the administration's nonproliferation efforts as undersecretary for international security affairs.

Pakistan and India are longtime rivals that have advanced nuclear programs. U.S. officials are concerned about long-standing friction between the two neighbors, and they hope to get Pakistan to take a first step to calm the situation.

Deputy Secretary of State Strobe Talbott is traveling to Pakistan and India next month and will discuss the issue with both countries, officials said.

Administration officials say the ban on military aid has failed to keep Pakistan from attaining nuclear capability and that a new approach is needed to halt the growth of regional nuclear programs and roll them back.

The plan would not require Pakistan to abandon its nuclear program, but simply not to move beyond current production.

U.S. officials see the F-16s, for which Pakistan has paid, as a carrot that could advance the policy.

Miss Davis said State Department officials are sounding out Congress to see whether there would be support if Pakistan agreed to the plan. They received some positive response.

But Sen. Larry Pressler, South Dakota Republican and author of the 1985 legislation, opposes the administration's proposal.

President Clinton has told the United Nations that stemming the proliferation of nuclear weapons is a top priority.

THE REUTER TRANSCRIPT REPORT—SENATE FOREIGN RELATIONS COMMITTEE HEARING, MARCH 23, 1994

Senator LARRY PRESSLER (R-SD). Thank you very much, Mr. Chairman, and this question is related to nuclear non-proliferation. It ties into Russia in the end, but it—I have been concerned, and I saw in this morning's paper that you, Mr. Talbott, will be leading the delegation to India and Pakistan regarding a one-time lifting of the prohibition on aid there to deliver the F-16s to Pakistan. And I can appreciate very much your desire to try to open more talks up there, but I think that is a—that is a very bad first step. The secretary of state and you both pledged here that you would not attempt to repeal that amendment, but—the secretary of state did in particular—but I view a one-time exemption to it to deliver the F-16s would be—would gut the amendment and would leave us in a situation that we'd be much worse off. And I might ask for your response to that.

But let me say that it seems contrary to the positions President Clinton and Al Gore have taken on non-proliferation because the—according to what's been published in this morning's paper, that our intelligence people have said that the F-16 would be the delivery vehicle for a bomb if Pakistan were to use its bomb. And it seems passing strange to me that if the administration is going to offer something, some exemption, it wouldn't be some area of aid or something of this sort rather than the F-16s.

Somebody has been very determined to get the F-16s delivered, whether it's the state of Texas or General Dynamics or Lockheed or whoever. I certainly don't see any conspiracy here, but for some time now there have been—maneuvering around to get the rest of them built and delivered and paid for. But I think that this would increase the arms race in that region, it would not really do anything—

This amendment is the only piece of non-proliferation legislation that has ever made it into law, and it seems passing strange that the Clinton-Gore administration would seek to essentially gut this with this effort.

If there were going to be something to be negotiated, perhaps it could be aid. I'm not suggesting that that would be acceptable. But the whole thing seems out of context with the things that you stand for in non-proliferation with Russia and so forth. What is going on here?

MR. TALBOTT. Well, Senator Pressler, let me try to put it as much into context as I can. And I do this acutely aware that this is a subject that you and I have talked about for the past month or so in connection with my own courtesy call on you and, I believe, in open session as well.

I assure you that gutting either the Pressler amendment or our non-proliferation agenda is exactly the opposite of what the administration has in mind here—in fact, quite the contrary. We see the Pressler amendment, which I stress will remain in force, which will remain very much a part of



American law, as an important and positive instrument to use in accomplishing our non-proliferation goals for the Indian subcontinent.

When I came—I hope it's all right for me to try to summarize one exchange between the two of us when I came and spoke to you in your office. And I've—I appreciated your being able to see me that day. You made clear that you do not see the Pressler amendment as an anti-Pakistan measure or directed against Pakistan per se, you see it as a means of advancing the goal of non-proliferation, and that's the way we see it, too. Our intention here would be to use the leverage that we have because of your amendment in order to try to achieve a verifiable cap on Pakistan's nuclear weapons material production, in return for which we would seek approval by Congress for some relief for Pakistan from some legislative sanctions. And that would include the F-16s that Pakistan has already paid for.

I am just beginning now, Senator Pressler, to prepare for my trip to the subcontinent, and if you would permit and if your schedule allows it, I would like very much to come by at some point in the next week or so and talk to you about this in detail. Obviously, there are several features of this which will be feasible only if we have the necessary support from the United States Congress. This is a classic example of where we need to work in partnership with each other.

Senator PRESSLER. Well, let me say that I think that—it's—well, it's been the opinion of our intelligence people, it's been printed in the papers that Egypt, Brazil, and South Africa all backed off their nuclear programs in part because of fears of trouble from Washington as—as a result of this amendment, that it's had a broader impact than just there. Also, it was not an anti-Pakistan thing at the beginning; indeed, Pakistan supported it strongly in this room when Alan Cranston had another amendment that would have cut aid off immediately, and they said "We're not building a bomb anyways." And this was the mid-1980s, and in the early 1990s the Bush administration certified that they did have a bomb in violation of it. So it didn't start off to be an anti-Pakistan thing, but I think it has slowed the arms race down in that region.

But it seems the logic of saying that since Pakistan still has its bomb and the amendment has not been effective, the logic of delivering F-16s, a delivery vehicle for the bomb, in some sort of a settlement, it seems very ironic. If the administration were proposing a one-time lifting of aid or something of that sort, it would be more consistent with this administration's stated non-proliferation of both conventional weapons and—and nuclear weapons. The whole thing seems to be delivered by a great desire to build the remaining F-16s, get them paid for and delivered than it does anything else. And that concerns me a great deal, because I can't follow the logic of how delivering a nuclear weapons delivery vehicle to a country that has a bomb is going to somehow slow the arms race down there. That is my logic.

Mr. TALBOTT. I'm reluctant to get too deeply into this both because of the sensitivity of the issue and also because I am beginning now preparations for this trip. But I'm sure that the last point that you make is very much on—I know that the last point that you make is very much on the minds of my colleagues: that is, looking for some way to ensure that we don't inadvertently create new problems in terms of delivery systems in the way that we address the problem of nuclear weapons per se.

But I do assure you that the motive is one of high policy, and the policy is one that you clearly support, and that is trying to bring about a verifiable and comprehensive non-proliferation regime on the subcontinent. But if you would permit me to come and talk to you about this, I would be grateful.

Senator PRESSLER. Okay, fine. Let me ask about the—about Russia's sale of conventional arms or arms of any sort. How much hard currency are they making from it, and are they increasing or decreasing their sales?

Mr. TALBOTT. The short answer is that they are—they have decreased their sales significantly from the Soviet period. Nonetheless, Russian arms sales remain a subject of intense and sometimes difficult discussion with them and will for a long time to come. The dilemma is the following:

During the Soviet period in the Cold War, Russia—the Soviet Union—used conventional arms sales as an instrument of its foreign policy, which is to say, an instrument of its political and ideological struggle with the United States. It was—they were pieces that they played on the board of the zero-sum game in the rivalry with the United States. That is, they went out of their way to arm our enemies, as it were.

That is no longer the driving motivation. The motivation now is that Russia is trying desperately to make hard currency in any way it can. It doesn't have a great deal that it can sell in international markets, but it does—has inherited from the Soviet Union a considerable arms industry.

Our effort—and it's going to take time to accomplish it—is to do two things: first of all, defense conversion so that plants which are now making weapons will make items for the civilian sector—and I know that that was a subject that Secretary Perry raised when he was in Moscow—and the other is to get Russia in as many ways as possible to adopt responsible export control policies.

#### CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The Senate continued with the consideration of the concurrent resolution.

Mr. SASSER. Madam President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SASSER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Madam President, I ask unanimous consent that the Senator from Ohio be allowed to speak as in morning business in the time remaining until the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio [Mr. GLENN] is recognized.

#### CHANGING POLICY ON NONPROLIFERATION

Mr. GLENN. I thank the Senator for his courtesy. I appreciate the oppor-

tunity to add a couple of remarks to those made by Senator PRESSLER a few moments ago. I had not been aware that he was going to make remarks about the changing administration policy in this area. I want to back up his views on this. We worked together a long, long time on nonproliferation matters, and we have over 148 nations now signed up around the world on the nonproliferation regime. It has not been perfect, but it has been very good through the years. It has had a positive impact.

The Pressler amendment is applied to one nation, Pakistan—who through the years was developing nuclear weapons, and we knew that. But every year because of the situation in Afghanistan, the President needed a special, country-specific waiver of the Glenn-Symington amendment so we could ship material through Pakistan over to Afghanistan. Despite waiver after waiver in the 1980s, Pakistan continued and even accelerated its pursuit of the bomb. Facing these facts, the Pressler amendment became law in 1985 without any loopholes or waivers.

It is just hard to see how we can change this now. In effect, what the administration apparently wants to do is say: OK, they lied to us all this time and went ahead and developed nuclear weapons anyway. They did not deal fairly with us, but we will forget that. That is behind us now, and we will now say they have the bomb now, so we now want to ship airplanes and some other combat equipment to them. So we will just say we forget all of that, and as long as they do not add to the bombs they already have, we will forget all that.

What kind of a message, I ask you, does that send to the other nations that we are trying to tell "do not develop weapons and we will cooperate with you," when if they do develop weapons, they have the precedent of Pakistan, to say it will not make any difference anyway. I think that is absolutely the wrong signal to send.

So I thank my distinguished colleague, Senator PRESSLER—I personally would prefer to see his amendment expanded to some other nations that have egregiously violated what we think is the norm in nonproliferation. All these years, what we have said is if nations sign up under NPT, we will cooperate, and at the same time we will be able to get control of our nuclear weapons stockpiles vis-a-vis the Soviet Union, we will negotiate them down, and maybe we will have a less dangerous world so we will have at the same time prevented the spread of nuclear weapons to other nations.

Here is a nation that has literally lied to us. What they have done flies in the face of their own commitments. I was there years ago and had the head of the State tell me they did not have any interest in nuclear weapons. The

foreign minister and defense minister told me the same thing, when we knew exactly what they were doing.

I admire Senator PRESSLER for what he is doing in this area. If there is a change contemplated, we should do everything we can to prevent it and support the nonproliferation regime around the world. I think it has done a lot of good. That does not mean taking all of the restrictions off of Pakistan, as far as I am concerned. I appreciate the distinguished floor manager letting me add words in support of Senator PRESSLER on this. He has done yeoman's work in this area. I hope we stick to his policy.

### CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The Senate continued with the consideration of the concurrent resolution.

Mr. DOMENICI. Madam President, I yield the remainder of our time on the Boxer amendment.

The PRESIDING OFFICER. The Senator from New Mexico has yielded back the remainder of his time on the Boxer amendment.

Mr. SASSER. Madam President. Is there any time remaining?

The PRESIDING OFFICER. There is 1 minute remaining prior to the vote.

Mr. SASSER. Madam President, I suggest the absence of a quorum to run off that 1 minute.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SASSER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### VOTE ON AMENDMENT NO. 1561

The PRESIDING OFFICER. Under the previous order, the question is on amendment No. 1561.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. METZENBAUM] and the Senator from Michigan [Mr. RIEGLE] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 33, nays 65, as follows:

#### [Rollcall Vote No. 67 Leg.]

##### YEAS—33

Akaka	Hatfield	Moynihan
Boxer	Hollings	Murray
Bumpers	Jeffords	Pell
Byrd	Kennedy	Pryor
Chafee	Leahy	Reid
Daschle	Levin	Rockefeller
Dodd	Lott	Sarbanes
Ford	Mathews	Sasser
Gorton	Mikulski	Specter
Gregg	Mitchell	Wellstone
Harkin	Moseley-Braun	Wofford

##### NAYS—65

Baucus	Domenici	Lautenberg
Bennett	Dorgan	Lieberman
Biden	Durenberger	Lugar
Bingaman	Exon	Mack
Bond	Faircloth	McCain
Boren	Feingold	McConnell
Bradley	Feinstein	Murkowski
Breaux	Glenn	Nickles
Brown	Graham	Nunn
Bryan	Gramm	Packwood
Burns	Grassley	Pressler
Campbell	Hatch	Robb
Coats	Heflin	Roth
Cochran	Helms	Shelby
Cohen	Hutchison	Simon
Conrad	Inouye	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thurmond
Danforth	Kerrey	Wallop
DeConcini	Kerry	Warner
Dole	Kohl	

##### NOT VOTING—2

Metzenbaum	Riegle
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So the amendment (No. 1561) was rejected.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### VOTE ON AMENDMENT NO. 1562

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to amendment No. 1562. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. METZENBAUM] and the Senator from Michigan [Mr. RIEGLE] are absent on official business.

The result was announced—yeas 93, nays 5, as follows:

#### [Rollcall Vote No. 68 Leg.]

##### YEAS—93

Akaka	Exon	Mathews
Baucus	Feingold	McCain
Bennett	Feinstein	McConnell
Biden	Ford	Mikulski
Bingaman	Glenn	Mitchell
Bond	Gorton	Moseley-Braun
Boren	Graham	Moynihan
Boxer	Gramm	Murkowski
Bradley	Grassley	Murray
Breaux	Gregg	Nickles
Brown	Harkin	Nunn
Bryan	Hatch	Packwood
Burns	Hatfield	Pell
Byrd	Heflin	Pressler
Campbell	Hollings	Pryor
Chafee	Hutchison	Reid
Coats	Inouye	Robb
Cochran	Jeffords	Rockefeller
Cohen	Johnston	Roth
Conrad	Kempthorne	Sarbanes
Coverdell	Kennedy	Sasser
Craig	Kerrey	Shelby
D'Amato	Kerry	Simon
Danforth	Kohl	Simpson
Daschle	Lautenberg	Smith
DeConcini	Leahy	Specter
Dodd	Levin	Stevens
Dole	Lieberman	Thurmond
Domenici	Lott	Warner
Dorgan	Lugar	Wellstone
Durenberger	Mack	Wofford

##### NAYS—5

Bumpers	Helms	Wallop
Faircloth	Kassebaum	

##### NOT VOTING—2

Metzenbaum	Riegle
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So the amendment (No. 1562) was agreed to.

Mrs. BOXER. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SASSER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Mississippi, Senator LOTT, is recognized.

#### AMENDMENT NO. 1563

(Purpose: To improve the resolution)

Mr. LOTT. Madam President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 1563.

Mr. LOTT. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is located in today's RECORD under "Amendments Submitted.")

Mr. LOTT. Madam President, a summary of this amendment is this: It maintains the \$26 billion in discretionary outlay cuts contained in the Exon-Grassley amendment that was added to the budget resolution in the Senate Budget Committee last week. But it specifies that all of these discretionary spending cuts would come from nondefense accounts.

In addition, it adds \$20 billion in mandatory spending cuts for deficit reduction. The amendment assumes that a number of the mandatory spending cuts contained in the 1993 Omnibus Budget Reconciliation Act, OBRA, which are currently scheduled to expire in the next 5 years, will be extended.

Let me emphasize, it accepts the Exon-Grassley amendment but with the language specifying that it would come out of nondefense accounts, and then it takes the language that has been developed by the Senator from New Mexico, Senator DOMENICI, that would call for an additional \$20 billion in entitlement cuts. The assumption is it would be the extension of the 1993 OBRA agreed-to spending cuts.

Here is my purpose. First of all, I have no doubt that the Senator from Nebraska, Senator EXON, and the Senator from Iowa, Senator GRASSLEY, were certainly well-intentioned and were trying to be helpful in trying to find a way to reduce the deficit further in this year's bill. I think there were some surprises and, obviously, some consternation in the Budget Committee that the amendment was adopted. It was adopted on a bipartisan vote. I



think it received nine Republican votes and four Democratic votes. It was adopted and there was no effort to reconsider it.

Why was it adopted? I think because the members of the Budget Committee just felt as if there was insufficient deficit reduction effort in the President's budget request. Yes, he made some cuts in some programs. But he came around and added back some of those cuts in other areas of higher priority to him.

In addition to that, the majority members of the Budget Committee added back money for some of the cuts which he had proposed. The money that the President had recommended be cut in urban mass transit operating assistance was put back in by the majority members of the Budget Committee. In LIHEAP, the Low-Income Home Energy Assistance Program, the President recommended just controlling the rate of growth. The committee, members of his own party, said, "No, we don't want that. We are going to put that back in."

So the net result is there is very little spending reduction and deficit reduction in this year's budget resolution. As a matter of fact, over a 5-year period, there is about \$127 billion in new spending initiatives in this budget resolution.

So Senator EXON and Senator GRASSLEY just felt as though we could do more. They came up with this amendment.

Obviously, they are willing to take whatever cuts might come out of this. They understand the budget resolution is not binding on the appropriators who are going to make the decision of where the cuts would come from. But I do think that there have been a lot of questions raised concerning how much this will impact on defense.

They would prefer that most of the cuts not come out of the defense area. They would prefer half of these cuts not come out of the defense area, but they recognize some of the cuts would come out of the defense area.

There are a lot of Senators on both sides of the aisle who feel we have already cut too much in the defense area and it is having an impact. Talk to members of the Armed Services Committee on both sides of the aisle, and they will tell you from what we are hearing now from our uniformed personnel as well as our new service chiefs, that we are getting into real problems in a number of areas.

For instance, General Sullivan, Chief of the Army, testified just a couple of weeks ago that the 1995 budget is our 10th consecutive budget representing negative real growth. We cannot continue in that direction forever or we will not be ready for tomorrow at any level.

It is affecting defense across the board. It is affecting the National Guard and Reserve units. Most of us

just experienced reductions of numbers in National Guard and Reserve forces in our States, and some of the armories are going to be lost or some of the new armories that are needed are not going to be funded. We find that we probably do not have the airlift and sealift capabilities to do again today what we did in Desert Storm just 3 years ago. The C-141's that we used in the first place to take off, headed for the Persian Gulf with equipment that had problems—with cracks in their wings; all of them were grounded. Then we got that fixed and now a number of them are being grounded by engine flameouts. We have not made a decision about what to do with the C-5's.

We do not know what the future is going to be with airlift. We have not made the decision of what to do and what is going to be our major airlift aircraft.

We face the same thing with long-range bombers. For years we have been arguing over B-1 and B-2. It seems as long as I have been in Washington that argument has occurred. But now we have a problem because this year the budget will cut one-half of the B-52 force that we have and retire it. We have not made the decision to upgrade the B-1 in the way it would take to make it an effective B-1 bomber, and we have limited the B-2. So, again, we do not know what we will need there. But we have not made the decision on what we are going to have in the future regardless of how many would be required. And the list goes on.

Now, ships: We are only going to be building four surface ships this year, I believe, and one more submarine. We talked about maintaining a Navy of 346 ships. When we got the budget, we found out it was 330. And at the rate we are funding ships, we are going to be down to 150.

Now, if the world is utopia, great. We do not need bombers or airlift capability or sealift capability or ships or National Guard. But the world is not utopia. As I have talked to my constituents in Mississippi just the last few days, the first question out of their mouths has not been health care reform. It has not even been crime. It has not been welfare reform. The question has been, the last couple days: What is going on in North Korea? How dangerous is that situation? What is going to happen? Are we on the brink of war again? All of a sudden, people are beginning to say: Now, what was it you were saying about the defense budget just a few years ago or over the last 3 years? People are worried that maybe we have gone too far already with the defense cuts.

Let me just give you this quote. The President stated in his State of the Union Address:

As long as I am President, our military forces will remain the best equipped, the best trained, and the best prepared fighting force

on the face of the Earth. We must not cut defense further.

And yet the President's budget that was submitted calls for a 5.2 percent additional cut in outlays for defense, down to \$271 billion in outlays in this budget.

Then if that is taken even further, if the Exon-Grassley amendment remains in the budget resolution and that is used as an excuse to cut defense even more, instead of being a 5.2 percent defense cut, it may actually get up to as much as 10 percent.

The President said do not do that. And I believe the majority of Congress, and I know the majority of the American people, say do not do that. We are about to lose control of this. We are losing our readiness, our strength for the future of the military. In fact, just in the last couple of months, for the first time in many years at least, one branch of the services did not meet its recruitment goals. This is having an impact on morale, on the lifestyle of our families that have to tolerate a tough life in the military.

So to use the Exon-Grassley amendment as a smokescreen or as an excuse or in fact an obligation to cut defense further, I believe, is very dangerous. I feel very strongly that should not happen. And that is why I included in this amendment the language which specifies that all of the discretionary spending cuts would come from nondefense accounts.

Now, is that going to absolutely guarantee the appropriators do not do that? I guess they could say, well, we are not going to take any more than the \$26 billion out of defense, but we are going to take more out of other areas of the mix. The net result would be that there would be an effort to cut defense even more. Such is not the intent of the Senate, in my opinion, and I know it is not the intent of Senator EXON or Senator GRASSLEY.

If the Senate votes for this amendment it will express itself very strongly that it supports further efforts for deficit reduction, but that it does not want defense to be get reduced further after a 37-percent cut over the past 3 years.

Now, I will address the next part of this amendment. Senator DOMENICI, a long-time member of the Budget Committee, is a very capable man when it comes to understanding the intricacies of the budget. This is not an easy thing to do and very few of us really do understand it. Senator DOMENICI realized there was this feeling that perhaps the Exon-Grassley amendment would go further than Members wanted it to in a number of areas but particularly defense. He started working on an idea to have additional savings in the entitlement area.

In fact, he has always said one of the mistakes we made in the past, and we are making this year as a matter of

fact with this budget resolution, is we are trying to do all the cuts on the domestic discretionary side and keep ignoring the problem of the exploding increases on the entitlements. And there have been efforts by Senator DOMENICI and Senator NUNN and others to try to deal with that in a fairer way.

In the Republican budget alternative that was voted on earlier today and received 42 votes, 60 percent of the cuts I believe came out of discretionary and 40 percent out of entitlements—or the reverse, 60 percent out of entitlements, 40 percent out of discretionary, but it was an effort to get some of the savings out of both sides and not just let the entitlements continue to explode and increase year after year—to try to get some balance there.

So what Senator DOMENICI did in this case is he said we can get this additional \$20 billion in spending cuts to be used for deficit reduction out of the entitlement category by simply continuing the existing restraints in the mandatory area of the 1993 Omnibus Reconciliation Act. And we have a list of the programs that that would actually involve. They are very small amounts of money in several categories. Again, it is not mandated nor can we require that this is the way the Finance Committee in this case would get the savings. But that is the intent. And it is a logical and an easy way to get additional spending savings.

So what I thought we should do, instead of arguing over whether we should have just the discretionary spending savings or have some of it come out of the entitlement category, is to take them both because neither one of them are deep additional cuts.

When I go home to my State, I have a lot of people who come up to me and say: When are you going to get serious about dealing with the deficits? Do you ever discuss the problems of a \$4.7 trillion national debt and the tremendous amount of money that is going into the interest on the national debt each year? When are you going to do something about that?

Well, as a matter of fact, over a 5-year period, this budget resolution would allow the national debt to go up another \$2 trillion. So obviously we did not do enough. So instead of saying one or the other, what I am suggesting in this amendment is let us take them both. Take the \$26 billion in the Exon-Grassley amendment and add to that the \$20 billion in mandatory spending cuts out of the entitlement area, and then you would have a total savings of \$46 billion, and it has the intended protection against the defense cuts.

So I want to say again I think that really good work has been done by Senator EXON and Senator GRASSLEY, and I am sure they are going to defend their language as it goes forward. I presume there will be an effort to knock their amendment out later on. But I

think we should not question their motives, and I think we should listen to what their intent was.

The same is true with Senator DOMENICI in his effort to find an alternative. He has done good work. He has come up with a good idea.

So my suggestion here is that we take both ideas. It will not be devastating in either category, and it will provide ways to get additional savings.

I urge my colleagues to look seriously at what I am proposing and pass this, and I think we would have a much more credible budget resolution when we complete our work.

At this point I will reserve the remainder of my time and yield the floor so that others may speak.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time?

If neither side yields time, time will be charged equally against both sides under the pending amendment.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. SASSER. Mr. President, I ask unanimous consent that on disposition of the Lott amendment, Senator DORGAN be recognized to offer an amendment stating the sense of the Congress regarding foreign producer taxes; that there be no second-degree amendment in order to the Dorgan amendment; and that upon disposition of the Dorgan amendment, Senator DOMENICI be recognized to offer an amendment regarding discretionary and mandatory spending.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SASSER. Mr. President, I request the yeas and nays on the Lott amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SASSER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that it be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. SASSER. Mr. President, I ask unanimous consent that there be no second-degree amendments on the Lott amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SASSER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, we are awaiting Senators coming to the floor. While we are waiting, I ask unanimous consent that the Senator from Minnesota be allowed to speak for 20 minutes as if in morning business and that this time be charged against the resolution, equally divided.

The PRESIDING OFFICER. Is there objection? Hearing none, that will be the order.

The Senator from Minnesota is recognized.

Mr. WELLSTONE. I thank you, Mr. President, and I thank the Senator from Tennessee.

#### THE FAILING HEALTH OF OUR DEMOCRACY AND THE HEALTH CARE DEBATE

Mr. WELLSTONE. Mr. President, in anticipation of the appointment of House-Senate conferees on campaign finance reform legislation, I wanted to speak for a few minutes about the need for real campaign reform, and I want to use health care-related political contributions as a case study.

Senators toss around the word "historic" all the time when we discuss different issues and different votes. But the truth of the matter, Mr. President, is that it is very rare that we are dealing with legislation that is truly historic. It could be Social Security—that was truly historic—it could have been the National Labor Relations Act, or civil rights legislation, or the Medicare Act.

Mr. President, I think we can talk about health care in exactly the same framework.

This year, the Congress is debating a piece of legislation which will profoundly affect the lives of Americans, for good or ill, by the way we finance and deliver health care within our country. This is an opportunity of a generation for all of us who are here to pass significant health care reform that will make a positive difference in the lives of people.

I did not rise on the floor today to debate the substance of different proposals. That is not my purpose. I am and will continue to be a very strong advocate of the single-payer system.

Instead, I want to talk about a different issue: the failing health of our democracy and its relationship to the health care debate.



What I am talking about are the huge amounts of money in campaign contributions, or being used to support media advertising campaigns, polling, political and marketing consultants, and all of the rest, which are financed by what we would call the medical-industrial complex: the insurance industry, drugmakers, HMO's, medical trade associations and other organizations as well.

These forces, over the last five decades—over half a century—have been able to thwart reform. Tens of millions of dollars are being spent on these campaigns right now, and it is estimated that almost \$100 million will be spent on them by the time this bill becomes a law. When combined with the unprecedented campaign contributions going to Members of the Congress, the policy and the political impact is staggering.

Soon the House and the Senate will appoint conferees on the campaign reform bill in order to work out the major differences between the two Houses on that bill. I hope that as we move forward on that process—and this is why I rise to speak about this question today—we will use health care and the unholy mix of money and politics as it affects health care policy in the Congress, as an illustration of why it is so compelling and important that we move forward with campaign finance reform.

I hope that reform will include a prohibition on soft money. I hope it will include tough new limits on what individuals can contribute to their own campaigns. I hope it will include the elimination of political action committees. I hope it will include much more stringent limitations on individual campaign contribution limits. I hope we will have tight new rules to close down the practice of lobbyists making political contributions to those whom they lobby. Finally, I hope we will open up this system so challengers will really have a level playing field by having some public financing, which was stricken from the Senate bill under the threat of a filibuster.

But until we pass this campaign finance reform bill, we will continue to see the corrosive effect of this mix of money and politics, where large amounts of money are being poured into the Congress. Powerful economic interests are, I fear, dominating this debate. This is a once-in-a-generation opportunity. Health care is an idea whose time has come, and come, and come again in this country, and always has been thwarted. This time we have to make sure it really is an idea whose time has come to stay.

It is unclear who will benefit and who will bear the burdens of health care changes to be adopted in our country. But, while this is unclear, one thing is very clear. Members of Congress are already benefiting enormously from huge political contributions from health

care sources that are truly unprecedented. I think, in the history of our country. If you want a historical perspective, I recommend my colleagues read Paul Starr's fine work, "The Social Transformation of American Medicine." It was a Pulitzer Prize-winning work. He gives a detailed historical account of uniform efforts and of the special-interest shoals on which they have often foundered.

We could go back before World War I, where the American Association for Labor Legislation was pressing for universal health care coverage. That was defeated, though it was the beginning of that effort in Western Europe.

Then, during the 1930's, Franklin Delano Roosevelt wanted to attach it to the Social Security Act, but that was defeated.

Then Senator Wagner and Chairman JOHN DINGELL's father, Representative John Dingell, Sr., were once again interested in universal health care coverage, national health insurance reform. They worked on it. Harry Truman campaigned on it in 1948—it was an important part of his platform—but again it was fiercely contested by powerful interest groups. It was really quite amazing the effort, especially the \$1.5 million American Medical Association effort to defeat the bill.

We had red baiting and people were talking about socialized medicine and people were talking about a plot that was hatched in Moscow to bring down the Republic over health care reform. Once again this effort was defeated.

Meanwhile, post-World War II, the rest of the industrialized world moved toward some form of social insurance health care policy. We did not. We went with market-based private insurance schemes. And now health care costs have driven through the roof, and what we have seen since is escalating costs and more and more insecurity.

In 1964, Lyndon Baines Johnson won by a landslide and his reform effort could not be stopped. He, with the support of the House of Representatives and the Senate, pushed through Medicaid and Medicare. Policymakers said they would fix all this in the next few years, content they had done their best in the short run. But the short run has now lasted over 30 years. That was an inadequate down payment on universal health care coverage. It is now time to redeem that promise of universal coverage.

Now it is 30 years-plus later, and during the 1970's we saw a dramatic increase in prices, the escalation of costs, and once again we have seen millions and millions of people falling between the cracks: Not old enough for Medicare, not poor enough for Medicaid, and not financially secure enough to afford a decent health insurance plan.

During the 1980's the idea of universal health care coverage was an anathema to the Reagan administration and

the Bush administration. Thus we did not see much progress.

Now it is 1994. Now we have a historic opportunity to pass historically significant reform. But once again, powerful interests are essentially trying to stop this reform, to thwart it. So now I speak about this with a sense of history. And although there are somewhat different players, basically we are again seeing efforts to use money to buy access. As a result, I think we have a huge problem, by any standard, for our representative democracy.

Let me be a little more specific. In the 1992 Presidential and congressional elections, political contributions from the medical industry stood at \$41 million. This reportedly included \$16.4 million from doctors, \$7.3 million from the insurance industry, \$4 million from drug manufacturers, and almost \$3 million from other providers. The rest came from HMO's, lobbyists, mental health professionals, medical suppliers and others.

In 1993, for Congress alone, contributions increased by an estimated 27 percent from these sources. And, as you might expect, many of these industries increased their contributions dramatically during the first 10 months of last year—the latest period for which data have been analyzed. According to a recent Federal Election Commission analysis by Citizen Action, health-related large individual donor contributions increased by a remarkable 41 percent; 46 percent faster than the rate of increase from other interests. Doctors and other provider PAC's went up by 30 percent; hospital, nursing homes and HMO's increased their giving by 23 percent.

I expect when the full 1993 contributions from the industry are analyzed, they will far exceed the amounts given in 1992.

This is big bucks. It is big bucks with a purpose. And the purpose is to have a disproportionate amount of influence on this process and the final product. Most lobbyists and most analysts of these issues will all agree, if you talk to them, that the glut of spending on health care is unprecedented on a single issue in the Congress in such a brief timeframe.

And if you think these figures for 1992 and 1993 spending levels are larger and really astounding, just wait and see what happens in 1994. The 1994 spending will eclipse all of what I have talked about. You will see huge amounts of money going into direct mail, going into television and radio, print media, and political contributions in the 1994 elections.

What are all these big contributions about? What are these contributors getting for their money? So far, what they are getting is the thing that they have been able to get from Congresses past: gridlock. For half a century, powerful interests have blocked reform, and I fear that could happen again.

Let me just take a look at political action committee spending, as an example. Medical industry political action committee contributions increased by almost 2½ times during the 1980's, as people began to see the reform train move. The tentacles of the industry are long and powerful. In the Senate, 84 percent of health care PAC contributions went to incumbents during the 1992 elections. And the PAC money is just the tip of the iceberg.

This chart is an overall summary of the 1992 health care industry contributions. Here we see the sources. What we see from 1990 to 1992 is a 31-percent increase overall, \$41.4 million; doctors, 1990 to 1992, \$16.4 million, a 45-percent increase; insurance, 1990 to 1992, \$7.3 million, a 10-percent increase; pharmaceutical manufacturers, 1990 to 1992, \$4.0 million, a 20-percent increase; and other providers, 1990 to 1992, \$2.9 million, a 40-percent increase.

Mr. President, this is just part of what is going on in terms of the dramatic increase in contributions. There are other ways that big-ticket interests can influence this process. At the same time that I have been talking a little bit about political contributions, we ought to remember the amount of money that is going into the TV and radio ad campaigns right now. When the President and the First Lady did their spoof on the Harry and Louise ads the other night at the Gridiron dinner, they said their ad was brought to you by the "Coalition to Scare the Pants Off You."

They were right on the mark. This year alone, the Health Insurance Association of America is reportedly going to be spending at least \$10 million just to discredit reform plans, be it the single-payer reform plan or the President's plan.

It is not just the question of grassroots politics. This is not grassroots lobbying. This is astroturf lobbying. This is using big money to have leverage. It is interesting, in their lobbying package, according to a recent public relations industry newsletter, the HIAA advised their members that the first step in their lobbying campaign should be to identify big contributors to Senators and Representatives and then meet with those big contributors to make clear their interests in the debate.

What we see here is the most telling and graphic example of this unholy alliance of money and politics and the way in which it affects the health care debate.

Mr. President, I could go on for hours about this political advertising, but I will not. I will just simply say one thing: As a former political scientist, I have to tell you that I cannot see much that has been contributed to public dialog, to an honest debate of perspectives, issues, and choices facing our Nation on health care, by all this political

advertising. I think the basic purpose of the political advertising is to make it all so complex for people, to plant doubts in people's minds and to scare people. And so we see very capital-intensive TV ads going on and on and on. It is an effort aimed at molding mass opinion, and preventing people from distinguishing clearly between their own interest and the special interests of doctors, HMO's, insurers, and drugmakers.

Mr. President, this is a very serious issue for our democracy. I think this mix of money and politics in the health care debate puts the whole political system on trial. All the questions about who has power and who does not; who gets to the bargaining table and who does not; whose voice is heard and whose voice is ignored come into sharp focus.

What is happening in the United States today is that a lot of people feel shut out. They do not feel their voice counts the same as the "heavy hitters." They feel there are certain people who have too much wealth, too many resources, and too much influence, and they have too little. They are convinced that the common good is giving way to special interests.

I think it would be a huge mistake, if that is the way people in this country feel about this health care debate—that they somehow have been locked out, they somehow are out of the loop, that their voice really does not count; because in a representative democracy, their voice should count. One person, one vote: that should be our watchword here.

And I point out that this level of health care spending is truly unique. In 1980, expenditures on Senate campaigns were \$73 million. In 1990, \$173 million. The last election, \$195 million. Or consider the average cost of a Senate campaign, another good barometer: \$1.2 million in 1980; \$3.3 million in 1990; and almost \$3.7 million in 1992, and sure to rise substantially again this year if people continue to raise money at the pace they have during the past year.

Let me point to another graph which illustrates the dramatic increase in spending over the last decade. This is just a line that you can look at from where we started to where we are right now; from about \$200 million in 1978 total to almost \$700 million in 1992. That just illustrates the dramatic increase in spending for congressional races: \$200 million to almost \$700 million over this short period of time for congressional races.

So I think—and I conclude my remarks today in the Senate this way—that the time has come for us to try something new to break this special-interest gridlock that has captured the levers of powers, that I really worry about. For me, it is simple. I do not think that Members of the House of Representatives or Senators should be

taking health care contributions from the health care industry broadly defined, from political action committees or in large contributions from individuals, for the duration of this health care reform debate.

My concern is that if people do not believe in the process and they do not trust the process, they will never believe in the product of that process. And if they do not believe in the product, then they are not going to make the sacrifices that are required and we will not have the support we truly need.

I know some of my colleagues and all House Members are involved in campaigns this year, and I say to my colleagues that surely I am not talking about people unilaterally disarming. But if any Representative or any Senator said to their competitors, "Look, until this debate is over and until we pass the bill, I am going to voluntarily not accept any more contributions, and I would also challenge you not to do so," I think what you would see, given the mood in our country, is that challengers would agree to that. If they do not, then I would say that Senators and Representatives, of course, could go on and raise that money.

But I honestly and truthfully believe that it would be so helpful and it would be so important to building good will, to having people trust in this process and really believe in what we do, if Members would voluntarily agree to forgo these contributions while this legislation is pending before the Congress and until we have a final vote.

Once again, I really think that challengers would be willing to abide by the same agreement.

Mr. President, we are all lucky to be in the Senate at a time when we really could do something historically significant. I really think that this is not just about health care, but about the political process, about accountability, about building trust in people and in the legislative process.

I really believe if Senators and Representatives are willing to voluntarily forgo contributions, large individual contributions and PAC contributions from the health care industry broadly defined, and those who are running, their challengers, are willing to do the same, it would incur enormous good will on the part of people in this country and, quite frankly, I think it would lead to a better process and I think it would lead to a process we can be proud of. And, most important of all, I think it would lead to real, significant health care reform.

Mr. President, I yield back the remainder of my time, and I thank the Senator from Tennessee.

#### CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The Senate continued with the consideration of the concurrent resolution.



The PRESIDING OFFICER. Who yields time? The Senator from Tennessee.

Mr. SASSER. Mr. President, I suggest the absence of a quorum and ask that it be charged against both sides equally.

The PRESIDING OFFICER (Mr. FEINGOLD). The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I wonder if I could ask the distinguished chairman of the committee if I might speak for 5 to 10 minutes on this matter.

Mr. SASSER. I will be pleased to yield 10 minutes to the distinguished chairman of the Finance Committee.

Mr. MOYNIHAN. Mr. President, I rise to state that the Senate is about to take the first vote of this Congress on the issue of health care reform, because if the amendment of my friend from Mississippi should be adopted, we will be instructed to take some \$20 billion in entitlement cuts and put them into effect in this coming budget round.

Those are precisely the sums and the areas in the budget—primarily Medicare—which, under the President's proposal and under any number of similar proposals, we mean to use to finance health care reform, bringing about universal coverage for the population and a measure of cost containment which is totally indispensable. The costs of Medicare and Medicaid are growing in the same manner, somewhat faster but in the same manner, as that of health care generally.

The Congressional Budget Office projects that private health care spending will grow on average at 7.8 percent a year. That doubles in about 7 years. That is the rate at which it compounds, I think. In the budget outlook sent us earlier this year by the Congressional Budget Office, we see Medicare doubling by the year 2004—more than doubling, somewhat more than doubling. We see Medicaid going up by 150 percent—going up 1½ times.

The general projection is that the cost of health in our country, which now takes up 14 percent of the gross domestic product, of our wealth, what we generate as wealth, will go to 20 percent in 10 years' time at the rate we are heading. The President hopes to see us hold that down to 19 percent—a heroic effort involved, vast legislation still to keep us at 19 percent. But part of this is to be done by holding down the cost of Medicare and Medicaid, and transferring the savings from those programs to the new forms of subsidy and that will enable us to provide insurance, health care for the 37 million persons who at any given time are uninsured.

We do make a mistake about this, Mr. President, in that we compound the subject of Medicare and Medicaid as being equally something called entitlements. It would be useful to keep in mind that Medicare hospital insurance is purchased through a payroll tax, paid equally by employer and employee and is today in surplus. That surplus is dwindling in the face of these cost growths, to be sure. But the combined Social Security trust funds—including old age, survivors, disability, and hospital insurance—are in healthy surplus. The hospital insurance of Medicare will be in surplus into the year 1997, and the combined trust funds will be in surplus well into the next century. I believe there will be a \$71 billion surplus in the year 1997, and indeed there is a sense at which the deficits we talk about today are lower than the reality would be if we were, in fact, treating trust funds separate from the operating budget. But that debate is for another time.

I have to state, Mr. President, as I look about me, I only see two other Senators in the Chamber, the Senator from Mississippi, and his most distinguished colleague, the sometime chairman of the Budget Committee, the Senator from New Mexico. Why is this floor not crowded with Senators as we are about to vote, have our first vote on the most important legislative initiative in a generation? And if we adopt this, if we take away from the Committee on Finance, which this amendment would do, the ability to use Medicare reforms and Medicaid to help us achieve health care reform, we will preclude our ability to carry out such a measure.

If that is what the Senate wants, well, here is the moment to say so. But I do not think the Senate wants that. I know the Committee on Finance does not want that. We spent 2 days this last weekend discussing the specifics of health care reform. We want to address this issue. We want to see universal health care coverage. If you do not want universal health care coverage, then this is an amendment we will wish to vote for.

But when you vote for it, you are voting against just that goal which, as President Clinton said in Florida on Monday, President Truman proposed. President Johnson came close to it. President Nixon proposed it. President Carter proposed it. We have been at this the better part of a half a century. We think it is time we got it done.

I have to say to you that Medicare spending, which has been growing at a rate higher than general inflation—but, remember, is a rate of spending of persons over 65 and have higher health care costs—we can cut that back. We hope to cut it back to 10.5 percent a year, probably a sustainable rate given the population involved. But if that reduction is to take place, we must have the flexibility to include savings from

reforms of Medicare and Medicaid or, Mr. President, there will be no health care reform for the remainder of this century. And we shall have spent half a century looking for something of an industrialized democracy which the world has in place, and we will enter the next millennium without it. I do not think we want to do this, sir. And I do not think we should. I think the vote will so establish that fact.

I see the distinguished Senator from Georgia is here. I believe he wants to speak to other aspects of the measure. I look forward to hearing him.

I yield the floor.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia [Mr. NUNN] is recognized. Who yields time?

Mr. NUNN. Mr. President, I would like to get some time to ask some questions of the chairman of the Budget Committee, and the ranking member.

Mr. DOMENICI. Mr. President, how much time do we have? I do not have any time. Senator SASSER has time.

The PRESIDING OFFICER. The Senator from Mississippi has 27 minutes.

Mr. LOTT. Can I inquire about the remaining time total?

The PRESIDING OFFICER. There are 27 minutes controlled by the Senator from Mississippi.

Mr. DOMENICI. Senator SASSER has how much?

The PRESIDING OFFICER. The Senator from Tennessee has 29½ minutes.

Mr. NUNN. Mr. President, I probably do not need more than about 5 minutes. I am really not sure how I am going to vote on this amendment. I do not know whose time I am going to be asking for.

Mr. SASSER. Mr. President, I am always happy to accommodate the distinguished chairman of the Armed Services Committee. I will be pleased to yield to him.

Mr. NUNN. Willing to take a chance?

Mr. SASSER. I am always happy to accommodate him, and willing to yield him 10 minutes.

Mr. NUNN. I thank my friend. I would be delighted to hear from the Senator from Mississippi on these questions also.

I would like to pose a few questions relating to the Lott amendment, and also, of course, I am concerned about the effect on defense of the Exon-Grassley amendment which would be in the Budget Committee, and I believe that this amendment has some relationship to that.

I suppose my first question to the chairman of the Budget Committee and to the Senator from New Mexico, the ranking member, would be whether this amendment, the Lott amendment, continues the cuts that were made in the Budget Committee in the discretionary account which I believe were \$43 billion in budget authority and \$26

billion in outlays. Do those remain in the budget resolution if the Lott amendment passes?

Mr. SASSER. It is my understanding that that is the case.

Mr. NUNN. Then I would ask my friend from New Mexico, if also incorporated in the Lott amendment—if the Lott amendment has in it the cuts in the entitlement programs that were really continuations of existing reductions or restraints in entitlement programs that were going to be used by the Domenici amendment, which I was coauthor of, are these cuts also part of the Lott amendment?

Mr. DOMENICI. Mr. President, in answer to Senator NUNN's first question, the answer is "yes." In answer to the second, that is that the Exon cuts, reductions, in discretionary are still in their entirety, with reference to your question, yes.

The distinguished Senator from Mississippi has already stated that he acknowledged that the entitlement cuts that are found in his amendment are on top of the discretionary, and they are exactly the same ones that would have been, and the same procedure that would have been, and will be there when the Domenici amendment is offered, if it is later today.

Mr. NUNN. Would I be correct then, I say to my friend from New Mexico, that if the Lott amendment passes, those entitlement cuts, or those entitlement restraints, continuation of the existing program that would expire otherwise, if the Lott amendment passes, if those would have been utilized in the Lott amendment, and would they be available as an offset to the Exon-Grassley cut in a later Domenici amendment if the Lott amendment passes?

Mr. DOMENICI. No. They would not. They are used as part of this amendment in addition to the Exon cuts.

Mr. NUNN. So those of us who are concerned about the effect on defense of the Exon-Grassley amendment—which would have something like a 60-percent effect on defense, in that neighborhood depending on the allocations of the Appropriations Committee—if those of us who are concerned about defense would be in a position, if the Lott amendment passes, to have no offset on defense cuts in the Exon-Grassley amendment, because those would have been used up, or at least the one that we had in mind would have been used up. Is that correct?

Mr. DOMENICI. The Senator is correct. However, it is only fair that the Senator from Mississippi explain how he views it. I believe I know they are used up, and they will not be available. That is clear from what is here.

Mr. NUNN. I have another question, in fairness to the Senator from Mississippi. It is my understanding there is an effort here by the Senator from Mississippi, though, to protect the de-

fense budget. There is language in here that basically creates, as I understand it, the indication at least of a firewall relating to the Grassley-Exon amendment.

But my question is relating to that now, because as I view it, based on the questions and answers I have gotten so far, if this amendment passes, and if there is no protection for defense in this amendment itself, then the hope of some of us at least is that we would be able to use the entitlement restraints for a substitution for the Exon-Grassley amendment, thereby reducing the effect on defense, that opportunity would be gone?

So the crux of my decision will depend on the answer to the questions about whether the Lott amendment actually protects defense. That is the next question I would pose.

If I could take it in two or three parts: No. 1, does the Lott amendment prevent the Grassley-Exon amendment that is incorporated in this from cutting defense in fiscal year 1995?

Mr. SASSER. First off, I say to my friend from Georgia, this amendment is silent on the question of 1995. It does not protect 1995 at all. It does not even attempt to protect 1995 at all. So defense would be subject, in 1995, to taking those chances with everything else.

Mr. NUNN. So whatever effect on defense the Exon-Grassley amendment was going to have in fiscal year 1995, would not be in any way reduced by the Lott amendment. Is that correct?

Mr. SASSER. That is correct. At least my reading of it, the Lott amendment is silent with regard to 1995.

Mr. NUNN. Would the Senator from New Mexico agree with that? How does the Senator see that?

Mr. DOMENICI. In direct answer to the question, I agree with that. As far as the amendment itself and what it says, there is no effect of change, no changing of the Exon-Grassley amendment.

Mr. LOTT. Mr. President, if the distinguished Senator will yield, I do not want to take up his time in responding.

Mr. NUNN. I would like to give the Senator time.

Mr. LOTT. I think all the answers that the distinguished Senator from Georgia received from the members of the Budget Committee, the Senator from Tennessee and the Senator from New Mexico, are accurate.

First of all, though, I do want to speak on the defense part of the question. Obviously, what we are trying to do here is to accomplish the purpose of trying to avoid defense being cut more without it being subject to a point of order, which would then require 60 votes to overcome. That is why it is silent on 1995.

But the intent of the amendment is clear. The intent is to say, look, we need to cut the deficit more. There are a lot of Members that would like to

support Exon-Grassley, and I suspect probably the Senator from Georgia would, but he is concerned about the impact on defense. That is why it passed the Budget Committee with some 13 Senators voting for the Exon-Grassley amendment. They would like to reduce the deficit more. They would like more to come out of discretionary spending. But they would prefer it not to further cut defense, which, as the chairman of the Armed Services Committee knows, has already been cut 35 percent over the past years.

We are always hearing testimony that is scaring us to death in the Armed Services Committee, and we worry about what is happening around the world. So we want to do that. So what I have tried to do is to find a way to get the additional discretionary savings that Senators EXON and GRASSLEY intended without the additional hit on defense. It specifies in the amendment that all of these additional discretionary spending cuts would come from nondefense accounts.

It is binding? Does that mean that is the way it would happen?

The Senator from Georgia knows better than I do that it is pretty hard to direct the Appropriations Committee how they might do something like this. But the intent is clear. If we could get a good, solid vote on this, I think that intent would be clear, and the message would be clear that we do not want additional hammering of defense.

Then the final point I would make—you may have additional questions—is that there are some Senators that just felt we had not done enough with deficit reduction, and there are some that would like to be for Exon-Grassley. There are some that would like to be for Senator DOMENICI's well-thought-out amendment, which is one that extends—basically continues—the existing laws, things agreed to in 1993.

So the thought developed, well, maybe we can try to find a way to build in protection on defense, get the discretionary spending cuts, and accept the \$20 billion in savings in entitlements.

I will not give a full, long speech because I know the Senator has other questions, but this is the reason; this is what is driving what Senators are thinking, and what I am trying to do.

The gross national debt is going to continue to just go right on up with almost another \$2 trillion increase over the next 5 years, over the time this budget resolution addresses. That is the intent behind it. I understand your concerns, and I share them. This is my effort, feeble though it may be, to try to accomplish additional deficit reduction and try to find a way to protect defense. I think there is a lot of concern here, perhaps even some smoke-screen. If the idea is to say: you are talking about cutting discretionary spending and talking about half of it or



more coming out of the defense, I do not think that is what the majority of Budget Committee members thought when they voted for it. I do not think the majority of the Senate thinks that. That is what I am trying to accomplish.

Mr. NUNN. I thank the Senator from Mississippi. My other question relates to the wording of the Lott amendment. I understand where the Senator from Mississippi is coming from. As I stated at the outset, I am concerned about the Domenici-Nunn amendment, which was going to keep the deficit down at the level that the Exon-Grassley amendment portrayed. The deficit would be at the level it came out of the Budget Committee, while protecting defense and discretionary cuts by shifting on to entitlements. Many people would want to agree with that.

What I am perplexed about is, if the Lott amendment passes, the offset for the Exon-Grassley amendment is going to be gone; it is gone. That is the end of that. Maybe somewhere else we can find the money, but if the Senator from Mississippi has not succeeded with his amendment, notwithstanding his keen desire to protect defense, then defense is worse off because the Lott amendment passes. It is worse off, because as I see it right now, the only hope that those of us who believe the defense budget is going down too much have is to find an offset. In the Domenici amendment, which has not yet been presented, was that offset. The Senator from Mississippi is using that offset and, therefore, if the Senator from Mississippi has not succeeded in protecting defense in 1995 and the outyears, then we have bigger problems in defense because of the Lott amendment. I know that is not the Senator's intent, but that is the result, as I see it.

My final question is: As I understand the Lott amendment—and I ask my friends from Tennessee and New Mexico this—in the outyears—I understand why you cannot deal with 1995, because I have been caught on that before; it is a tough one. You have a 60-vote problem. But what I am also concerned about is the next 4 years.

My question really is: As I understand it, the Lott amendment basically directs the so-called firewalls only to the protection of the Exon-Grassley money, but not to the overall defense budget. So the Lott amendment, even if it is effective for those 4 years, would basically take the narrow amount of money that was cut in the Exon-Grassley amendment and say that that money could not be shifted in the next 4 years to discretionary. Yet, it would leave the whole defense budget for the appropriators, and they could shift everything else. The money is fungible.

We could end up with a situation in which the appropriators say: OK, the Lott amendment passes, it cuts discretionary. We cannot offset that, and we

cannot shift the defense on the Grassley-Exon portion, but we can shift everything else, the whole rest of the defense budget. That differs from the firewall that I think we ought to put up, which is on the whole defense budget—not that it cannot be cut or shifted. It can be cut, but cuts would go to the deficit. My question to the Senators is: Am I correct that the Appropriations Committee could basically take everything but the Exon-Grassley amendment money and shift it from defense to nondefense and discretionary accounts?

Mr. SASSER. The Senator is entirely correct. He has analyzed this thing precisely the way it is going to operate. The alleged protection that the Senator from Mississippi seeks to impose for defense spending here applies only to the incremental cut, the Grassley-Exon cut, and that is all.

I know this is somewhat confusing, but as I read this thing—and clearly, as the Senator from Georgia perceives it—there is no protection for the remaining portion of discretionary spending. In short, given the fungibility of money, this amendment does not protect military spending at all, as far as this Senator is concerned, and I think my views are well known on that. I would like to see military spending take its chances just with all of the other discretionary spending. But if it is the intent of the Senator from Mississippi to fence off and wall off military spending and protect it, this amendment simply does not do it. All it does is simply wall off that portion of the Grassley-Exon cut as you take this out of Defense. All the rest of this big pool of money is there, and the appropriators can do as they wish with it.

Mr. NUNN. Can I give a hypothetical so that we can be clear? Maybe the Senator from New Mexico can answer this, also.

Assuming—and I do not know the exact numbers—this 5-year so-called discretionary account, which includes defense and also domestic discretionary—assuming the cap is \$550 billion on that, and assuming the Grassley-Exon amendment cuts \$43 billion out of that; would it be fair to say that under the Lott amendment, all the \$43 billion cut would have to come out of nondefense, except for the 1995 problem? Nondefense discretionary. But the remaining \$507 billion over 5 years, under the Lott amendment, could still be shifted from defense, and all of it could go into the nondefense account?

Mr. DOMENICI. The Senator is correct.

Let me suggest—and I think Senator LOTT, the Senator from Mississippi, understands this—that I have tried every way possible to put a firewall in, without being subject to a point of order. I tried in committee, and I lost 11 to 10 or 10 to 9, or whatever it was. Whenever that comes up on a floor, a point of

order is raised. Once, the Senator from Georgia and I got 54 votes or something. So it cannot be done. Senator LOTT did not find a way to do it either. So there is no wall—even if the language he uses, which is very well-crafted, says that you can only take these cuts against nondefense discretionary. The amount of money described there is not the discretionary budget of America but rather the piece attributable to the Exon cut.

So all the rest of it is clearly mobile, as I see it. The Senator used the word "fungible."

Mr. NUNN. And one-twelfth of it, if you look at the figures, 550, say one-twelfth of it, would be protected; the rest of it would be absolutely able to be shifted from one to the other.

I guess the Senator from Tennessee has the answer to that question. Does he agree with the answer I received?

Mr. SASSER. Yes, I agree.

The PRESIDING OFFICER. The Senator has spoken the additional 5 minutes.

Mr. SASSER. I yield an additional 5 minutes to the Senator from Georgia.

I agree completely with what the distinguished Senator from New Mexico has said. In fact, there is not even opportunity to put in a firewall for 1999 even for the amount of a Exon-Grassley cut in this amendment before us.

Mr. NUNN. The Senator from Tennessee understands when there is a Domenici-Nunn effort to put in an effective firewall it will require 60 votes, and I hope the Senator from Tennessee will look favorably on that effort. I know he would want to see the legislation drafted in an effective and clear way.

Mr. SASSER. I say to my friend from Georgia that hope springs eternal in the human breast. I understand that. But I may not be counted on the side of the Senator from Georgia when the roll is called.

Mr. DOMENICI. Mr. President, will the Senator yield 2 minutes?

Mr. NUNN. I will put the Senator from Tennessee in the doubtful column. We are going to continue that effort.

Mr. LOTT. Will the Senator from Georgia yield a second?

Mr. NUNN. I yield.

Mr. LOTT. Mr. President, there are several points the Senator made. I will try to respond on my own time.

I do want to just put out a word of caution that I know that what the Senator is trying to do is, in effect, to save the \$20 billion proposed offset in the Domenici amendment, which has been spoken against now by the distinguished chairman of the Finance Committee, so it could be used later on.

But I do think you need to think carefully about what is being said here and the impact this vote may have on the subsequent vote, because there are some Senators who share the concerns

of the Senator from Georgia in the defense area, but they also feel the deficit has not been adequately addressed. They wanted an effort to find a way to get some more deficit reduction through using the entitlements. And the idea was, look, let us have it; let us try it. Let us see if we can find a way to protect defense. Let us see if we can find a way to get entitlements savings on top of the discretionary spending cuts. If that fails, then we have to look around for another alternative.

That is what I want the Senator to be aware of. There is a lot of thought going on as to how we achieve the goal he is after.

Mr. NUNN. I understand, Mr. President. The Senator from Mississippi and I, I think, share the same general goal.

My problem, though, is if this amendment passes, as I view it, given the vote count around here, there is really going to be no way to protect defense.

I think, as the President said in his State of the Union Address—and I hope the Clinton administration will be on the same side as Senator DOMENICI and I will be on the subsequent amendment we are going to be considering—the President said very clearly he did not think the defense budget should be cut any more.

The problem I have with the Lott amendment is it is basically taking the savings that could be made as an offset, and protect defense, while keeping the deficit at the level that it is now in the Budget Committee. It does not protect defense from that discretionary allocation matter.

I see where the Senator is coming from. It seems to me if the Lott amendment passes, it puts defense in a much more precarious position.

I also say that I hope there will be a chance to vote on a broad entitlement approach later in this debate that is unrelated to any offset on defense. I hope that we will have that opportunity. Senator DOMENICI and I again sponsored that amendment last year.

I also hope we can find some way to deal with the firewall. I get very frustrated in being up against the 60-vote rule because of the firewall. That was one of the reasons I had a little less sympathy than I might otherwise have had when people are adding a constitutional amendment, how bad it was, to have 60 votes; otherwise, it would be gridlock.

That is exactly where we are in this whole budget situation. We have to have 60 votes on everything that disagrees with the Budget Committee. We already have, in effect, a quasi 60-vote requirement.

Mr. President, I close my remarks by saying I thank the Senator from Tennessee, the Senator from New Mexico, and the Senator from Mississippi for answering my questions. I believe, because of the information that has come from this dialog, I will be voting

against the Lott amendment, but in the hope that we can put together something else that will achieve some of the same purposes the Lott amendment is aimed toward. But I do believe that, based on the information we have now received from this dialog, the Lott amendment basically puts defense in more jeopardy, notwithstanding the Senator's intention.

So I urge our colleagues to vote against the Lott amendment.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DOMENICI. Mr. President, I wonder if I might speak on this issue? Will the Senator yield me 2 minutes?

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. I yield.

Mr. DOMENICI. Mr. President, I will take 2 minutes off the resolution.

I say to Senator LOTT, let me interpret what I have just heard here on the floor. I do not think any of the answers were different than the Senator expected with reference to the existence of firewalls and the enforceability of the defense language.

Am I correct in assuming that when the Senator offered this, he knew that? I mean, I am not trying to state something here inconsistent with what the Senator understood, because I thought we all understood when he put together his amendment, which took its entitlement cuts from an amendment I had proposed, which the Senator graciously has acknowledged, I think it was understood then that we were leaving the discretionary spending of the cuts of the Exon-Grassley amendment in place and that he would make the best effort he could to articulate that those cuts should not be applied to defense.

Am I stating it about right?

Mr. LOTT. I think that is accurate, Mr. President.

I would like to make some additional comments in this area when the Senator finishes with his comments.

Yes, this is basically what I knew. I think the Senator from Georgia indicated he knew what I was trying to accomplish.

The question of whether we can accomplish it in this way, we are going to try later on an actual vote on firewalls. We have to have 60 votes, and we were trying to avoid that problem.

Mr. DOMENICI. Mr. President, do I have a minute left, or how much, on that?

The PRESIDING OFFICER. The Senator has 30 seconds.

Mr. DOMENICI. Mr. President, I yield myself an additional minute, so it will be a minute and a half.

Let me say to the Senator from New York, Senator MOYNIHAN, I know he has come to the floor and discussed the portion of the Lott amendment that exclusively deals with an amendment that has been on the floor referred to as the Domenici amendment or the Do-

menici-Nunn amendment. That is the case. That is the case.

That second portion of the Lott amendment with reference to additional restraint on mandatory entitlements is an amendment I proposed. I do not choose on this amendment to respond in detail to the Senator, but let me just say to the Senator that when the time comes to debate it separately, I will make my case for it in terms very different from the Senator from New York. In fact, I will give him the facts and let him conclude whether it affects health care reform or not. I will not conclude, but I do not believe it in any way will affect health care reform.

The President himself wants savings in health care reform. We ought to have some. If the Senator is worried about how much this is going to impact on health care spending, that is the second part of the Lott amendment. We will be spending \$1.585 trillion in 1999 on health care, the U.S. Government portion, Medicare and Medicaid.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. I yield 1 additional minute.

I say to the Senator, cumulative over the 5 years, that is cut by 1.2 percent. That is the numbers as I have them. If that kills health care, then I cannot imagine how we will ever get the deficit under control.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Tennessee.

Mr. SASSER. How much time is remaining on this amendment?

The PRESIDING OFFICER. The Senator from Tennessee has 9 minutes 45 seconds; the Senator from Mississippi has 27 minutes.

Mr. SASSER. I yield 5 minutes to my friend from New York.

Mr. MOYNIHAN. Mr. President, may I say to my friend from New Mexico, when we do get to that part of the debate, I think the Nunn statement was just at the end of this particular amendment we have before us now.

I know what he says will be factual and will be straightforward, and not too arcane. But I would like to say to my friend that in 1999, we are scheduled to spend just over \$400 billion on Medicare and Medicaid.

Mr. DOMENICI. The number I gave was the cumulative expenditure over 5 years.

Mr. MOYNIHAN. Over 5 years.

Mr. DOMENICI. And I took the little percentage each year and summed that up, and was reducing that over 5 years by 1.2 percent.

Mr. MOYNIHAN. That is about right. And as everyone knows, it takes a good deal of temerity to challenge the Senator from New Mexico on numbers.

Mr. DOMENICI. I thank the Senator very much.



Mr. MOYNIHAN. I do want to say we are talking about the significant \$19.6 billion, which is absolutely necessary for the President's health care reform measure to be enacted. I think we can stand this vote on health care reform and Domenici-Nunn will be a vote on health care reform.

If you are against universal health care coverage, vote for these amendments. If not, give our committee, the Committee on Finance, and the other committees involved, an opportunity to bring health care to this floor after half a century of waiting.

I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 23 minutes remaining.

Mr. LOTT. We asked for and received the yeas and nays on this amendment, have we not?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. LOTT. Mr. President, gee, this sounds awfully familiar. I have heard it year after year after year. "Oh, we can't cut that. Oh, we can't cut that. We'll get it later. You can't take it from here. We are going to use it somewhere else."

We go through this exercise with these budget resolutions.

I will tell you I voted for the Budget Impoundment Act and, over the years, I have voted for some budgets and against others. But I am beginning to wonder what does the Budget Committee really do? What is it worth? Maybe we ought to abolish the Budget Committee, and say the Budget Impoundment Act was a good idea, but, gee whiz, it did not work.

What are we doing this exercise for? We are told, "It does not make any difference. The appropriators are going to do what they want to anyway. We cannot direct them." If that is what we are going to do, we ought to have real reform and deal with the macro number, the 17 accounts, I believe, a one-page deal and be done with it.

And the difference is, if we send the Exon-Grassley amendment or leave it like it is and it goes to the Appropriations Committee, my God, it is going to be Armageddon; they are just going to take it all out of defense. I do not believe the Senator from West Virginia would do that. I know the Senator from Hawaii would not do it. I know the Senator from Alaska [Mr. STEVENS] is not going to agree with that.

They are not going to go in there with a meat ax and chip away at defense. Yes, they may be forced by, I guess, the budget resolution numbers to some degree to do more in discretionary spending reduction and it

would affect defense. I just do not believe, though, as was inferred by the Senator from Georgia and others here on the floor, that if we send it to Appropriations with these numbers they are just going to come in here and take every nickel out of defense, or 50 percent. I have some faith in those guys and ladies on the Appropriations Committee.

But, oh, gosh, yes, if there is some cut, some cut that might actually bite, you hear all kinds of screaming now about what we cannot do, why we cannot do that. We cannot have any kinds of further cuts in defense.

Where has everybody been for the past 3 years? We had a 35 percent cut in defense. So to try to avoid any real cuts in domestic discretionary spending, the fire alarm goes out: "Oh, well, it is all going to be done in defense." And then the next line comes in, "Oh, well, we can't do what Senator DOMENICI has drafted here because this is going to be the first vote on health care and we planned to save that money so we could spend it on health care reform."

There are some people in America that think we should not begin the health care reform debate by assuming we are going to spend billions of dollars, new dollars. We have to save this money and a lot more because we are going to have this reinventing Government on health care. The Government is going to take it over and it is going to cost billions of dollars. That is the same old arrangement.

So we are saying, "Oh, we can't have any entitlement cuts because we are saying that to spend it later on health care reform."

"Oh, we can't have any cuts in domestic discretionary spending accounts because it is going to only affect defense."

I have voted consistently, year in and year out, for defense programs, not to cut defense. I have raised objections and concerns and exasperations about the cuts we have made over the past 3 years in defense. I am the last guy that wants to do that. I will assure you that when 13 Senators of both parties voted for the Exon-Grassley amendment in the Budget Committee, their intent was not to have it all taken out of defense.

But it is the same story you hear year in and year out: "We can't do it here. We can't do it there."

And somehow or other we develop this buddy system that leads to the net result that we do not do much of anything.

We have talked about, oh, how we have done a great job. We were tough back in 1982. Yes, and the deficits went up.

We talk about how we were going to be tough in 1990 when President Bush was in the administration. Yes, we were tough. Very tough amendment.

And the deficits went up. And, this is a stay-the-course but tough amendment. We are going to have some savings and the deficits go up. The debt goes up. So it is the same old song that we hear year in and year out—"Not here, not there, not anywhere," the truth be known.

We talk about how we worry about deficits and debt and spending and we are going to control it, but we never do.

When somebody comes up with an idea that we actually do it, then we bring on the chairman of the Finance Committee, we bring on the chairman of the Armed Services Committee, who say, "You can't do this part; you can't do that part." And then the partners will change on the next amendment or the next debate. We will have different people dancing, waltzing together, saying, "Well, OK, we weren't together on that last one, but now we are together on this one."

But the net result is we never get around to doing what we say we intend to do.

That is all I have intended with this amendment. I am trying to find a way to bring Members together. I am trying to find a way to get some deficit reduction without emasculating anybody, trying to find a way that it would not all have been taken out of the defense, since that is all that has been happening in the discretionary area. Everyone in Washington is using defense as a cookie jar: "On, we need a little more money for this program or that program."

Wonderful programs. We had a couple of those programs here. I voted for them. Great, wonderful programs. How could you be against them?

Most of the time, all the other spending has continued to inch up, except defense. That is the only one that has really been going down. That is one of the reasons I am very much for abolishing the whole system, and finally having truth in budgeting. We should get rid of this baseline doubletalk where we allow inflation to go up and then we talk about it. We think we are fooling somebody, but the American people have it figured out.

We talk about how good the economy is. But I see some troubling signs in the economy.

Again I am not putting the blame on anybody—the Congress or the President. All I know is it has been sort of a jobless recovery. I also know that the Fed raised interest rates another quarter. I am worried what that means for the future.

So I just wanted to take a little more time now and point out why I proposed this amendment and try to correct the RECORD a little and give some statistics.

In the budget resolution we have here before us from the committee, the proposed terminations and reductions in

the fiscal year 1995 by the President amounted to \$5.5 billion, while the new spending amounted to \$8.2 billion. So you had a net increase; a few cuts, but more increases and new spending.

Over the next 5 years, as I have already pointed out, new spending increases total \$127 billion. The Federal budget outlays would increase 17.1 percent in fiscal years 1994 to 1998. The cuts we have proposed in the Exon-Grassley amendment, coupled with the Domenici language, would barely scratch the surface there. It might reduce it a percentage point or two. We would still have a 15 percent increase over the 5-year period, in all probability. I have not actually calculated the percentage, but I think we need to acknowledge that.

But another thing that bothers me about all of this, at a time when we say this is supposed to be a stay-the-course and honest and realistic budget, is that so many parts of what we are going to be doing this year are not included, including a lot of cuts in the area of allocations for crime.

Now, the point will be made which was made in the Budget Committee, "Well, yeah, the President had some increases for fighting crime." But, as a matter of fact, the President proposes cutting \$600 million from existing law enforcement and anticrime programs in this budget, including funding for DEA and for fighting organized crime, the parole commission, INS, ATF, IRS, the Customs Agency, the Coast Guard. We are cutting back on our interdiction funds, cutting back on the national drug control policy office and cutting back on the FBI.

So, again, I am saying here not only is this a budget that allows for increases, it does not even acknowledge we are going to have some costs for health care or welfare reform. And it actually reduces the expenditures in all of these programs for fighting crime.

So I have real problems with this budget resolution. My whole intent here was to try to get some realistic deficit reductions and try to find a way to keep defense from being cut.

I hope my colleagues will look at it very closely.

I yield the floor at this time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, my friend from Mississippi said that he thought the Budget Committee had not intended to cut defense with the Exon-Grassley amendment.

The debate in the Budget Committee on the Exon-Grassley amendment made abundantly clear that these cuts could well come out of defense.

I ask unanimous consent that the transcript of the Budget Committee debate on the Exon-Grassley amendment be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEBATE FROM BUDGET COMMITTEE MARKUP ON THE EXON-GRASSLEY REDUCTION AMENDMENT, MARCH 17, 1994

Chairman SASSER. Senator Exon is recognized.

Senator EXON. Mr. Chairman, thank you. I am going to be very brief, because I know Senator Conrad and Senator Grassley, who has worked with me on this—the Exon-Grassley amendment that I am offering at this time is a cut of \$26 billion in the budget over 5 years. If there is any criticism of this that it is legitimate, it is minuscule, but it is probably the only chance we are going to have to make some reductions.

This amendment was figured and calculated to freeze the budget authority in our discretionary spending over the next 5 years. We then allowed a 50 percent increase above that freeze or a total of \$26 billion. The Chairman's mark is actually \$52 billion above the budget authority freeze.

When you add up all these discretionary funds, you see that we are talking about \$111 billion over the coming 5 years. That \$111 billion is not the complete figure, as the markup materials do not include all of the discretionary add-ons. Total discretionary spending over the next 5 years would total \$2.7 trillion in the Chairman's mark. This is less than 1 percent of that total, but I think it is at least a small step in the right direction to get on the glide path to a balanced budget.

I yield to my colleague from Iowa.

Senator GRASSLEY. To my Republican colleagues, if you voted for the Gramm amendment this morning, this would be the Gramm amendment divided by two. It offers an opportunity to reduce the deficit by \$26 billion.

Senator EXON. I have been meeting off and on since we adjourned just before the Thanksgiving holidays with the idea that we need to do more than what we figured would be planned by the White House in the course of developing this year's budget. We felt that the only way that we could make any progress would be to have a bipartisan approach to reducing. We hope that you will see this as a bipartisan approach to do more, considering the fact that in the outyears, beyond the year 1998, we have a tremendous increase in the budget deficit, and that we need to do more now and not wait until then to take care of a problem that we know is down the road.

Senator SIMON. A question: As I understand it, you simply reduce the number, you do not say where they are allocated or anything like that?

Senator EXON. We do not, and we reduce the caps accordingly.

Senator GRASSLEY. Yes.

Chairman SASSER. Does anyone else wish to speak in favor of the Exon amendment?

Senator GREGG. I have a question.

Chairman SASSER. Senator Gregg.

Senator GREGG. I do not understand how you arrived at these numbers.

Senator EXON. I said the way we worked this out, after looking at a lot of different formulas, was simply to go to the basis of freezing the whole discretionary budget over the next 5 years, and then we allowed a 50 percent increase above that freeze, cutting in half essentially the increase that is in the Chairman's mark.

Senator GREGG. I see.

Senator GRASSLEY. I hope I said it very clearly, you voted for the Gramm amendment. Divide it by two, and that is the figure

that you end up with here in our amendment.

Chairman SASSER. Let me make just a few remarks about this so-called freeze. First, we are already below a hard outlay freeze relative to the actually enacted levels of the 1994 appropriations bills.

In 1994, the appropriations bills totalled \$544 billion in outlays. In 1995, they are going to total \$541.1 billion in outlays. So we are actually reducing discretionary spending by \$3.9 billion.

Now, this amendment continues to punish the discretionary accounts which both sides of the aisle agree are not the deficit problem. Our problem is not in discretionary spending. We all know it is in mandatory entitlement spending. Senator Domenici has told us on this committee ad infinitum and on the floor, that is what is driving these deficits, and he is entirely right about that.

Now, let me make this fundamental point: This amendment does not tell us what is going to happen in discretionary accounts. It does not say what is going to be cut. All it says is that we are going to reduce the discretionary accounts budget authority by \$43 billion and outlays by \$23 billion.

Earlier today, the effort to reimpose the walls, which the Senator from Nebraska supported, was defeated. Now I have discussed this amendment with the distinguished Chairman of the Appropriations Committee, and I want to tell my friends on this committee who support a large defense number that defense is going to take the lion's share of the cuts, if this Exon-Grassley proposal passes.

Now, as far as I am concerned, that would not be a matter of great concern to me. But it is also going to turn around and make some cuts in some of the other discretionary accounts, such as education, as Senator Simon and Senator Dodd tried to increase today.

Earlier, Senators voted to save the space station from being cut. My guess is the space station will have to be thrown overboard, if this particular amendment passed. We have talked a lot about criminal justice and what we are going to do about that. There will probably be some cuts in that.

Now, I say to my colleagues we are spending in fiscal year 1995 at below the discretionary levels of fiscal year 1994. And when you add into that the effects of inflation, these discretionary accounts are being hit very, very hard indeed. And if I were to allocate across the discretionary accounts where I thought percentage basis these cuts would be made by the Appropriations Committee—and I serve on the Appropriations Committee, I am Chairman of the Military Construction Appropriations Subcommittee, I serve on the Defense Appropriations Subcommittee—my view would be that defense would take 75 percent of these cuts, and the rest of them would be spread across the discretionary accounts.

Now, I just say to my colleagues we are straining at a gnat here to swallow a camel. The problem is not in discretionary accounts. All who study this budget know that. The problem is in the mandates. We are simply going to punish some of these discretionary accounts that has taken about as much punishment as they can take.

So I would urge my colleagues, although I have the highest regard for my friend from Nebraska, and certainly my good friend from Iowa, and we have worked together on many things, I just do not think this amendment is well advised.

Senator EXON. Mr. Chairman?



Chairman SASSER. Senator Exon.

Senator EXON. I do not know if we have any time left or not. I would simply say that the statement that you have just made and the previous votes that we have had, almost everybody on this side of the table will therefore vote in favor of it, because it will cut defense.

I would simply say I have heard this before. The Chairman of the Appropriations Committee called me this morning. The Chairman of a subcommittee called me this morning. Others have talked to me. You forgot to mention what others have told me, that this is going to come out of agriculture.

I think it is time to take a stand on some of these things. I do not know how you can say that 75 percent of this money is going to come out of defense. That is up to the appropriations. I think it is not fair to try and influence votes by making statements like that.

If all of this comes out of defense, which it will not, it is minuscule. I hope we support the amendment.

Senator GRASSLEY. Could I have 30 seconds, please?

Chairman SASSER. Without objection, the Senator from Iowa will have 30 seconds.

Senator GRASSLEY. You can tell when there is a chance for an amendment to be adopted, they roll out the big guns in this city, and the big guns have been rolled out on this amendment. Because we have been working on this amendment for a long period of time, and the scare tactics are being used and they are being used to affect this side of the aisle.

I hope that people who voted for the Gramm amendment will not fall for that argument, because that argument is no more applicable to this amendment than it was to the Gramm amendment. It was not made on the Gramm amendment. It is made on this amendment, because this amendment is a true bipartisan effort to do what really needs to be done, and everybody admits it needs to be done, because every chart in this town shows that there is a major problem post-1997-98, and we need to take care of that problem now, not then.

We always wait mañana in this town to do something when it should have been done before.

Chairman SASSER. A point of inquiry. Am I included as one of the big guns, Senator Grassley? [Laughter.]

The time is expired on this amendment. Without objection, we will recognize Senator Conrad.

Senator CONRAD. Mr. Chairman, is it possible to make inquiry of the counsel with respect to this amendment?

Chairman SASSER. Certainly.

Senator CONRAD. I would just like to ask the counsel, with respect to this amendment, as it is constructed, is there anything that limits this amendment to non-defense discretionary?

Mr. DAUSTER. No, there is no limit on where in appropriated accounts the cuts are made.

Senator CONRAD. Is there anything that would preclude this from being taken disproportionately from any function?

Mr. DAUSTER. No, there is not.

Senator CONRAD. Those are the questions I had, Mr. Chairman. I have an amendment, as well.

\* \* \* \* \*

Chairman SASSER. No.

The clerk will tabulate the vote and announce the result.

The CLERK. The result is 7 yeas and 13 nays.

Chairman SASSER. The amendment fails for lack of a majority.

The next amendment is an Exon-Grassley amendment, and this amendment would reduce the 602-A allocation reported in the Senate Appropriations Committee for fiscal year 1995 by \$5.3 billion in budget authority and \$1.6 billion in outlays. In essence, it would lower discretionary spending by \$5.3 billion in budget authority, \$1.6 million in outlays for fiscal year 1995. You know what it does overall?

It would lower budget authority by some \$40 billion and outlays by some \$21 billion, lowering the discretionary spending by \$21 billion over the term of the amendment. It is all discretion, across the board amendment that would reduce all discretionary spending by, what, \$26 billion? \$26 billion in outlays, \$43 billion in budget authority. There is no distinction between domestic discretionary or defense. That allocation would be made by the Appropriations Committee, by the chairman of the Appropriations Committee, really.

Senator GRASSLEY. For Republicans, that would be one-half of the Gramm amendment. Senator DOMENICI. One-half of the freeze.

Chairman SASSER. The clerk will call the roll.

The CLERK. Mr. Hollings?

Senator HOLLINGS. No.

The CLERK. Mr. Johnston?

Senator JOHNSTON. No.

The CLERK. Mr. Riegle?

Senator RIEGLE. No.

The CLERK. Mr. Exon?

Senator EXON. Aye.

The CLERK. Mr. Lautenberg?

Senator LAUTENBERG. Aye.

The CLERK. Mr. Simon?

Senator SIMON. Aye.

The CLERK. Mr. Conrad?

Senator CONRAD. Aye.

The CLERK. Mr. Dodd?

Senator DODD. No.

The CLERK. Mr. Sarbanes?

Senator SARBANES. No.

The CLERK. Mrs. Boxer?

Senator BOXER. No.

The CLERK. Mr. Murray?

Senator MURRAY. No.

The CLERK. Mr. Domenici?

Senator DOMENICI. Aye.

The CLERK. Mr. Grassley?

Senator GRASSLEY. Aye.

The CLERK. Mr. Nickles?

Senator NICKLES. Aye.

The CLERK. Mr. Gramm?

Senator GRAMM. Aye.

The CLERK. Mr. Bond?

Senator BOND. Aye.

The CLERK. Mr. Lott?

Senator LOTT. Aye.

The CLERK. Mr. Brown?

Senator BROWN. Aye.

The CLERK. Mr. Gorton?

Senator GORTON. Aye.

The CLERK. Mr. Gregg?

Senator GREGG. Aye.

The CLERK. Mr. Chairman?

Senator SASSER. No.

The clerk will tabulate the vote and announce the result.

The CLERK. The result is 13 yeas and 7 nays.

Chairman SASSER. The Senate Budget Committee has voted to reduce discretionary spending by \$43 billion in budget authority and \$23 billion in outlays, unspecified.

Senator BOXER. And that is defense and non-defense; is that correct?

Mr. SASSER. But in the debate there, I said: "Now, I say to my col-

leagues, we are spending in fiscal year 1995 at below discretionary levels, fiscal year 1994." And what I was pointing out there in that debate in the Budget Committee is that we are spending less in discretionary spending in 1995 than we are in 1994 and spending less in nominal terms. I am not talking about spending less using a CBO baseline, I am saying in nominal dollars, uncorrected for inflation, there is less discretionary spending in this budget for fiscal year 1995 than there was for fiscal year 1994.

I went ahead to say:

When you add into that the effects of inflation, these discretionary accounts are being hit very, very hard—very hard indeed. If I were to allocate across the discretionary accounts where I thought percentage basis these cuts would be made by the Appropriations Committee—and I serve on the Appropriations Committee, I am chairman of the military construction appropriations subcommittee, I serve on the defense appropriations subcommittee—my view would be that defense would take 75 percent of these cuts, and the rest of them would be spread across the discretionary accounts.

That is what I said, as chairman of the committee in the debate. So, clearly, no Senator who voted for the Grassley-Exon reduction could have any doubt that military spending would be placed in jeopardy here.

Frankly, that is not a matter that concerns me, because as has been pointed out earlier, the United States of America is already spending more on military spending than everybody else in the world put together. My friend from Mississippi cries crocodile tears about the reductions in defense spending. What reductions? In 1980 we experienced the largest military buildup in peacetime in the history of this country. Now we started some reductions since 1985. And guess what. We have reduced right back down to the level that was in place prior to the time we started building up, during 1980. There is only one difference, and that difference is our nemesis, the old Soviet Union, does not exist anymore.

I think it is time to face facts. We can come out here and talk about all these real or perceived threats. We can talk about what General This is saying, or Admiral That is saying. We all know none of our military people will ever admit that they are getting enough resources. I do not criticize them for that. It is their job to have an excess of capacity to deal with their problem.

But what we are into now—and my colleagues know it just as well as I know it—we are into military pork barrel projects. That is what it is all about. It is military pork. It is looking after my shipyard, it is looking after my base, it is looking after my factory that produces a certain type of military equipment. That is what it is about. Why do we just not confess it? We are now into an era of military

pork barreling in this country. We are not responding to external threats. We are responding to internal threats of job losses as a result of cutting the military budget. That is what it is about.

We have to make some choices here. We cannot talk about our concern with the deficit and pretend that military spending makes no difference, because those dollars that go into the military budget are just as real as the dollars that we spend on domestic programs. There is no difference between the dollar that goes to fuel a destroyer and the dollar that goes to buy a school lunch for a kid in a school somewhere with a school lunch program. It costs the same amount of money.

I believe, frankly, we need to spend what is necessary to maintain the security of the country from external threats. And I can envision a time when we ought to be spending more than we are spending now. But the truth is, at the present time there are virtually no external threats to the United States. How in the world can we be so concerned about this military spending at a time when we are spending more for our military than all of our enemies or potential enemies put together?

So let me say to my good friend from Mississippi, for whom I have the highest respect and a good deal of affection, I must say that we did discuss this matter in the Budget Committee. And we knew, I think, what we were doing at the time we did it. Now there is a lot of sort of squirming here. We are trying to work our way out of this. Some of my colleagues are concerned about reductions in military spending. And they may succeed; they may succeed.

Mr. DOMENICI. We will.

Mr. SASSER. But the truth is, they constructed this problem for themselves, and they constructed it by moving ahead in the face of assertions that if you do this, military spending is going to take 75 percent of the cuts. But they went ahead and did it anyway.

We will see how it works out. Maybe they will be able to save themselves to some extent. But I predict that when all the dust settles, the Exon-Grassley amendment is going to cause a reduction in military spending below the levels that the President proposed.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator has 13 minutes 38 seconds. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I wish to congratulate and compliment my friend and colleague from Mississippi for this amendment. I just watched and listened to some of the debate. A lot of people have attacked this amendment and criticized this amendment. Of

course, they have that right to do so. But I think it is important to see what this amendment does.

This amendment expands on the amendment, the so-called Exon-Grassley amendment, which cut discretionary spending \$26 billion. Some people said we cannot afford to do that. This amendment adds \$20 billion in mandatory spending cuts in the entitlement section. A lot of that will be done in 1999. I think we can afford to do both.

I am amazed. I look at the combination, that is \$46 billion in outlay reductions over the next 5 years. Not \$46 billion, I might mention to my colleague from Mississippi, not \$46 billion next year. Next year we are going to spend over \$1.5 trillion. That is \$1,500 billion. If you are going to cut \$46 billion in 1995 out of \$1,500 billion, that might be something. That would be about 3 percent. But we are not doing that in 1995. We are not doing it in 1996. As a matter of fact you have to add all 5 years, and if you add up all 5 years, we are going to spend over \$8 trillion—\$8 trillion. There are 12 zeros behind a trillion.

If we agree to the amendment of the Senator from Mississippi, we are talking about \$46 billion. It is not even a percent, not even a half percent. It will not really even show up in the total amount of money we spend. Again, if you are talking about \$46 billion next year, then you are talking about 3 percent. Frankly, I would probably support that. I know some people would say we could not afford it, but I think we need to get the deficit down and I would support that. But the Senator from Mississippi says, let us cut \$46 billion over 5 years over the budget we have reported out of the Budget Committee—or an additional \$20 billion over the budget that was reported out of the Budget Committee.

I am amazed. Everybody is saying, "The sky is falling. If we do this, we will not have a defense. If we do this, we will not have discretionary spending." I just disagree.

I compliment my friend from Mississippi. This is an amendment saying, do you want to cut spending a little more? Not a lot more, a little more? I happen to think that we should. I compliment him for his amendment. I urge my colleagues to support its adoption.

The PRESIDING OFFICER (Mr. WELLSTONE). Who yields time?

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator has no time left on the amendment.

Mr. SASSER. Mr. President, I yield myself such time as I may consume off the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SASSER. Mr. President, so as to accommodate a number of Senators who are temporarily away from the Chamber on official business, I ask

unanimous consent that the pending Lott amendment be temporarily set aside to allow consideration of the next amendment in order.

Mr. LOTT. Reserving the right to object, and I do not intend to object, I just wonder, does the Senator have any idea when that may be?

Mr. SASSER. Yes, I do. They will return about a quarter of six, is our information.

Mr. LOTT. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, has all time been yielded back on the Lott amendment?

The PRESIDING OFFICER. The Senator from Mississippi has 10 minutes 47 seconds remaining.

Mr. LOTT. I do have some time left remaining, and I understand we may have one final speaker. We can do that when we come back to the amendment at a quarter to six, or whatever amount of time the distinguished leader speaks on behalf of the amendment.

Mr. SASSER. So he will use the remainder of the Senator's time?

Mr. LOTT. I will be glad to yield him the remainder of it.

Mr. DOLE. When we come back to it, I will use a couple minutes.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is recognized.

#### AMENDMENT NO. 1564

(Purpose: Expressing the sense of the Senate that domestic producers should not be asked to continue to bear an unfair share of the Federal income tax burden compared to foreign-controlled competitors and that Congress should move to close tax loopholes that subsidize companies that move their plants outside the United States and that allow foreign corporations to do business in the United States and avoid paying their fair share of taxes)

Mr. DORGAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. DASCHLE, and Mr. FEINGOLD, proposes an amendment numbered 1564.

Mr. DORGAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, insert the following new section:

#### SEC. . CLOSING OF LOOPHOLES IN FOREIGN TAX PROVISIONS.

- (a) FINDINGS.—The Senate finds that—
- (1) foreign-controlled corporations doing business in the United States do not pay their fair share of taxes;
  - (2) up to 72 percent of foreign-controlled corporations doing business in the United States pay no Federal income tax;
  - (3) the Internal Revenue Service has limited its own ability to enforce Federal tax



laws against foreign-controlled corporations, to the detriment of domestic taxpayers;

(4) the Internal Revenue Service has been using antiquated accounting concepts to deal with sophisticated multinational corporations;

(5) billions of dollars of Federal revenues are lost annually due to the inability of the Internal Revenue Service to enforce the "arm's length" transaction rule—not even counting the costs of bureaucracy and litigation; and

(6) the Federal income tax laws encourage domestic taxpayers to relocate abroad by granting them deferral of United States taxes on income earned abroad.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that deficit reduction should be achieved, in part, by ending loopholes and enforcement breakdowns that now enable foreign-controlled corporations operating in the United States to pay no taxes and that subsidize the flight of domestic businesses and jobs out of the United States, including—

(1) a more streamlined and efficient method of enforcing Federal tax laws involving multinational corporations, especially those based abroad, in particular, the use of a formula approach by the Treasury Department where the "arm's length" transaction rule does not work; and

(2) a repeal of tax subsidies for domestic businesses that move jobs to tax havens abroad and then ship their products back into the United States.

Mr. DORGAN. Mr. President, this is a fairly simple amendment that deals with a subject I have worked on for a good number of years. As is often the case in Congress, one works for a number of years before one achieves success.

This amendment happens to deal with how much money we raise and from where we raise the money. We are talking today about how much we spend, how much money we raise, and what kind of a deficit we have left. The question is whether we spread the sacrifice around fairly and whether we ask the right things of the right groups.

My amendment deals with a couple of tax provisions that establishes a sense of the Senate that we ought to move in two areas.

One deals with an area where corporations close their doors in America and move overseas. These corporations produce in a tax-haven country and then ship back their tax-haven products into America. For all of that they then get a tax incentive or a tax benefit from the Federal Government.

President Clinton talked a lot about this issue during his campaign. He said—and he was right—should we not at least shut down the Federal tax incentives that encourage American companies to shut their doors in this country, move their jobs abroad, and then ship back to the United States? The answer, of course, is yes, we should shut down those tax incentives, and I will explain that in slightly more detail in a minute.

The second provision talks about how we tax large foreign corporations doing business in our country, and are the

large foreign corporations doing business in America paying their fair share of taxes? Let me refer Members of the Senate to a very simple chart. This chart has numbers that are fairly well agreed to by everyone. It is the result of a number of studies. "Foreign Controlled Corporations Paying and Not Paying Tax in This Country." Seventy-two percent of the foreign-controlled corporations doing business in America pay no taxes. I am not saying they pay too little or they pay a little. Seventy-two percent of the foreign corporations doing business in this country pay no taxes to the U.S. Government.

How could that happen? How on Earth could that be the case? It is something called transfer pricing. Foreign corporations shipping goods to this country have the opportunity to determine where they want to take the profits. They can price sales between subsidiaries at virtually any price, and they can move profits out of this country.

For example, one corporation in this country that was producing automobiles over a 2-year period earned over \$3 billion but paid nothing in Federal taxes because it claimed it did not make any money in this country. How does the Treasury Department and the U.S. Government deal with these kind of claims by foreign corporations doing business in this country? They say, well, we use the so-called arm's length test. In other words, they measure affiliated corporations and the business they do with each other with something called an "arm's length" test. They look to determine how an arm's-length price between the affiliated companies compares.

It is an enormously complicated system. But more importantly, it is a buggy whip system that does not work at all to catch tax cheaters in the 1990's. The result is the Treasury Department is chasing a kind of approach that is antiquated and does not work. Foreign corporations are doing business in this country, selling an enormous amount of goods in America and, in most cases, paying no taxes in this country.

When we talk about reducing the Federal deficit, getting in the revenues we deserve, should we not also do something about this outrage? Should we not also do something about changing the approach by which we tax foreign corporations doing business in this country? My answer is yes, of course.

We have already done this in the States in this country. Minnesota has done it. North Dakota has done it. The States decided they wanted to find out how you divide up the income of a company doing business in all of the States because the companies would say to Minnesota, "Well, that was North Dakota income, so you cannot tax it." They would say to North Dakota,

"That was Minnesota income, so you cannot tax it." Neither State would receive tax on the business profits, and the business would pay no tax to either State. In fact, it would be nowhere income.

The States learned early on that the way to deal with that is to establish a simple and fair formula that apportions the incomes between a State for a corporation doing business with all of the States. The States have solved this problem and increased their revenue base by getting the appropriate taxes they ought to get from big corporations.

The Federal Government has not solved the problem with respect to foreign corporations. They are still using a system that does not work, that is clogging our tax courts, and allowing foreign corporations to do an enormous amount of business in this country and escape paying, in many cases, any taxes at all. They will do billions of dollars of business and pay zero in taxes.

Of course, the domestic corporation that has to compete with them in the United States must pay taxes, and the result is unfair competition.

My resolution simply says we want the Treasury Department to use existing authority to move toward a formula approach to try to get our fair share of taxes from these corporations where the arm's-length method does not work. It ought not be controversial. No one ought to object to this at all. We ought to simply change the way we do business. This is unfair to American businesses, it is unfair to American taxpayers who have to pay their taxes and somebody else comes in from the outside and earns billions and pays nothing, and we ought to change it.

The second part, the part I mentioned first when I stood up, is fairly simple. President Clinton in the campaign talked about a tax provision that exists in our Tax Code today that desperately needs changing. He talked about our tax laws that tells a business, "Go ahead and close your doors in America, move the jobs overseas, and we will give you a tax break for doing so."

Here is how it works: If you have two companies side by side doing business on the same block, one of them decides: "I'm leaving, I'm going to shut my company, get rid of the 100 jobs in America and I'm going to move my company lock, stock and barrel to a foreign tax haven and hire 100 people there."

What have they done? They have moved their company and their jobs and they are producing garage door openers in a foreign country—whatever they are producing—and they are shipping them back to the United States.

What is the difference between that company and the other one that was beside it that was doing exactly the

same manufacturing job? The difference is the company that moved overseas can now make the same profit but not have to pay any Federal income taxes on that profit as long as it does not repatriate it. In other words, the company manufacturing abroad from a foreign tax haven gets an interest-free loan from Uncle Sam in order to compete against the other business that kept its jobs in America.

That is the tax incentive President Clinton talked about, and that is the tax incentive we ought to change. We ought to decide that for those companies which close their doors in America and move overseas to a tax haven to produce and ship back into this country, we will not any longer provide a tax incentive to do it.

You take a look at all the grotesque distortions in the Tax Code. And there are plenty. This ranks right up there as one of the dumbest. We ought to take action to change it.

My resolution does not instruct any committee on exactly how to change it, although I have a piece of legislation introduced that will do just that. But my resolution simply asks this Senate to decide to make these changes. Get rid of the incentives that encourage people to move their jobs out of this country and relocate them overseas and get rid of the tax enforcement provisions that do not work and replace them instead with a formulary approach that allows us to ask foreign companies working, selling and doing business in this country to pay the same taxes that American businesses have been paying for a long, long time.

My bill would impose no new taxes on anyone. It will simply eliminate a subsidy that ought never have been present in the first instance. In the second instance, we ought to develop an enforcement approach that will finally allow us to determine how much foreign corporations selling cars and VCR's and television sets in this country ought to be paying us in income taxes. The fact is I have my own notion about how much we are losing. I think we are losing around \$10 billion a year because of the IRS' antiquated "arms-length" pricing approach, and \$10 billion a year is a significant amount of money. There is no excuse at the time we are gripping this question of how do we find additional revenue for us to continue to ignore these two areas.

I look forward to working with the chairman of the Senate Finance Committee and other Members of the Senate on this issue. I served 10 years on the House Ways and Means Committee, and have worked on tax issues for a long time. I have worked on these issues for a long time, too. One of these days this is going to get solved. Until it gets solved, at every conceivable opportunity I will raise this question with my colleagues: Do you not agree; do you not think it is time for us, in all

fairness to the American people and American businesses, to address these two questions?

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. SASSER. Mr. President, I am not sure who is controlling the time in opposition, but I would yield such time as the Senator from New York would consume in opposition. I know of no one else who wishes to speak on it.

The Senator from New York is welcome to 2 minutes or 5 minutes.

Mr. President, I suggest the absence of a quorum and ask it be charged equally against both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, acting for those in opposition, I yield 10 minutes to the distinguished Senator from New York.

Mr. MOYNIHAN. Five minutes will do, I say to the Senator.

Mr. SASSER. Five minutes.

Mr. MOYNIHAN. I want, first of all, to thank my friend and colleague from North Dakota for raising this subject once again. It is a serious subject. He is an expert in it. He served a decade on the Committee on Ways and Means in the other body, where he pursued the matter. It is an issue not only of large salience at this time, but as we become a more international economy, with growing firms, increased competition, and great complexities in these matters, it will become more of an issue. I would dare to think that 40 years ago the question of compliance by foreign corporations operating in the United States under the U.S. Tax Code would have been very small—some insurance activities, some manufacturing. A century ago it would have been large, but then there would not have been much Federal tax presence. But this is now coming into a new world.

The issue is that we want to be careful of generalizations. The fact that a great many corporations pay little or no tax reflects the increasing activity of foreign corporations here, just as our corporations are active abroad. The complexity of world trade will astound you.

About 2 weeks ago in the Finance Committee in a hearing on the GATT agreement, we had a manufacturer from Ohio, who makes automotive parts, describe what goes into a 14-cent air valve in a tire. The copper is from Zambia, the lead from Saskatchewan, the steel from Birmingham, a whole se-

ries of metals of which I have not heard and from some countries I would have difficulty locating on the map; about 15 foreign sources for a 14-cent device. It is normal.

That means that staying with compliance is important. I could not more agree with the Senator from North Dakota that we may have to attend to this.

I would like to say that the Committee on Finance has tried to do just that. We have in 1989 and 1990, and in last year's deficit reduction measure, addressed this issue—not to any final conclusion because there will not be any final conclusion. Compliance under Tax Codes is a permanent task of Government. It is never done once and for all.

We are seeing, ourselves, in our domestic arrangements, that only about one-quarter of domestic workers are covered by the Social Security taxes which are required by law to be paid. Only about a quarter of employers pay them. We addressed that issue just Tuesday in the Finance Committee.

At the same time, I want to say to the Senator from North Dakota that a unilateral action by the U.S. Government at this point would, in my view—I think in the view of the Committee on Finance—produce a reaction from trading partners which we would not desire. The Treasury is negotiating.

If you were to read the tax notes in the Wall Street Journal today, you would find that countries—there is a general comment—that countries are increasingly sensitive to tax shelters, and that, for example, Denmark broke off from a tax treaty with Portugal because of the tax havens in the Madeiras.

As I say, this is a continuous problem. But it is one in which our view as regards foreign corporations needs negotiation. The Treasury Department feels, with considerable energy, that this should be left to negotiations at this point with respect to the matter of arms-length assessment that the Senator very properly raises as perhaps one of the central issues at this time.

If the negotiations do not succeed, we must return to the issue. I cannot doubt that the Senator from North Dakota will see that we do. But for the moment, I would have to register the view that Secretary Bentsen and his associates should be allowed to continue the negotiations now underway, particularly in the aftermath of the Uruguay round agreement, which put a lot of new rules in place which we need to get settled on before we can address this complex, fundamentally important issue which the Senator from North Dakota has raised.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have no interest in prolonging the discus-



sion. I appreciate very much the comments of my colleague from New York. I have great respect for his leadership in the finance area. His stewardship of the Senate Finance Committee, his knowledge of taxation is substantial. I appreciate it a great deal.

I would observe that there is kind of a law of physics about bureaucracy in politics, but especially bureaucracy: A body at rest stays at rest. I have discovered trying to get the institutional mindset in the Treasury and elsewhere to think differently about some of these issues is difficult. You can win on the logic and on the common sense. But when you confront the difficulty of the bureaucracy and the inclination of the bureaucracy to resist change, you have a devil of a time trying to get these things done.

I would just observe that the very essence of what I am trying to do would represent simplicity for the corporations doing business all around the world. The Senator from New York is quite correct that it is increasingly a global economy. Many businesses do business virtually everywhere. I understand that. But the experience of the States is quite clear about businesses that do business everywhere.

To the extent that businesses can save money on the bottom of their balance sheet or their P&L statement, \$1 saved there represents \$10 or \$20 sales on top. You can save it easily in the tax area by simply telling the various jurisdictions in which you are doing business, "This is not your income. I have attributed it elsewhere." And they are telling the elsewhere, "This is not your income. I have sent it back to the first locale."

The fact is, the income is sent nowhere. And billions and billions of dollars represent nowhere income, taxed by no jurisdiction. And those same companies that avoid taxes are now doing business in competition with domestic companies who are good neighbors and do all of the business and pay all of the taxes at a competitive disadvantage.

The fact is it happens. It happens all the time. It happens increasingly as we go to a global economy. And the businesses that are moving more globally would be much better served by a system with great simplicity, a formula of several factors which the States use at great success. That would tell everyone, including businesses, no one is going to tax you more than your income base. But neither are you going to be able to hide your income from countries in which you do business.

My intent is not to overtax anybody. My intent is to see if we can say to the American taxpayers, you pay your taxes and we are sure going to make certain that everybody else—especially the big shots—doing business all around the world, that they are not going to avoid theirs. When a company

comes in here and does \$3.5 billion in business in a 2-year period, and then says, "You know, what? We did not make 1 cent, not a penny, so we do not pay any taxes. How did they do that? Through financial accounting manipulation, by price transfers out of the country. There is no army of accountants in this town or in this country capable of penetrating that kind of price transfer. We have a few people who are—and I hesitate, but I will call them this—thick-headed policy analysts, who would not change what they do forever. They say it has always been done that way, so let us always do it that way. As I said before, we would still be making buggy whips if the private sector behaved that way.

I say we desperately need to take a fresh look at this and change. The Senator from New York is correct that some adjustments have been made in a couple of previous pieces of legislation. At least from my observation, they are baby steps, not major strides. I hope that we can get up to speed here and develop a kind of a cruising speed on changing some of these areas that will satisfy not only me but my constituents and others who pay taxes and do not want to see others avoid theirs.

I appreciate the comments of the Senator from New York and the courtesy of the budget chairman and ranking member. I shall not request a recorded vote on this, provided we can voice vote it and approve it.

I yield back my time.

Mr. SASSER. Mr. President, I yield back all time in opposition.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the Dorgan amendment.

The amendment (No. 1564) was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote.

Mr. DORGAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### AMENDMENT NO. 1563

Mr. SASSER. Mr. President, is the regular order a return to the Lott amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. SASSER. Will the Chair advise me how much time is left for the proponents of the Lott amendment?

The PRESIDING OFFICER. The Senator from Mississippi has 10 minutes 47 seconds.

Mr. SASSER. The opponents?

The PRESIDING OFFICER. The opponents' time has expired.

Mr. SASSER. I thank the Chair.

Mr. DOMENICI. Mr. President, I understand Senator LOTT wants to yield 5 minutes to the Senator from New Hampshire, so I do that in his behalf.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I rise in support of the Lott amendment and to address briefly at this time the budget as presented by the President.

If you look at the budget presented by the President, it is, regrettably, a budget that is really a stand-pat budget on the issue of addressing the budget deficit. It does not move forward the issue of reducing the deficit. It says that last year we passed a lot of taxes and, therefore, under the context of what the President believes, we should be able to reduce the deficit this year. It is not a visionary proposal but vision-impaired proposal. If you look at the numbers in the outyear, we cannot afford to do nothing on the issue of the budget deficit.

This chart reflects what is happening to the budget and the deficit over the coming years. As you can see from the lines here, the green line, which is the bottom line, is the deficit. Although it flattens out over the next few years and goes down, it rises as we head into the next decade. The reason it starts to rise is because entitlement expenditures, which have been explained a number of times on this floor, increase dramatically.

So the practical effect is that if we do not start addressing this entitlement line today, we are not going to get in place any significant budget reduction in the deficit in the outyears. The President's budget, of course, has been put forward, and the rhetoric is on the premise that they are going to address entitlements in the outyears with their health care program. But if you look at the actual budget, the health care program, they create a trust fund, which is to be basically revenue neutral within their budget. So they are assuming absolutely no savings in the budget from health care reform.

Thus, we come to the proposal that is presented here today by Senator LOTT. That proposal should be looked at in the context of the entire budget and what we are spending in other areas. If you look at the budget over the next 5 years we are going to spend \$8.3 trillion. That is a colossal amount of money. The accumulated deficit over that same 5-year period is \$934 billion. That is what we are going to take and run up bills on and pass those bills on to our kids and say: Here, children, take care of these bills. We did not have the guts to do it in the U.S. Senate this year.

This \$26 billion is basically the cut which has been proposed by the Grassley amendment. It is increased by \$20 billion by the Lott amendment, up to about \$46 billion. It does not even appear on this chart. There is a bottom line, and it does not even appear on the chart. It is so minuscule compared to the \$8.3 trillion we are spending, and the \$934 billion of deficit that we are running up, that it cannot even appear

here. That is how small this cut is. Yet, we are saying we cannot do it.

My goodness, if you have children, how can you go home and look them in the face and say you cannot even cut this little amount? I am almost embarrassed for Senator LOTT, because it is such a small amount. But at least he brought forward something that is substantive on this floor. He is shooting with real bullets. It is one of the first amendments on this floor that is shooting with real bullets. It is a good starting point.

The fact is, if there is not the political courage in this body to cut this small amount out of what is both discretionary spending and mandatory spending over the next 5 years, then I do not know how we can, with a straight face, say that we are concerned about the fiscal responsibility and solvency of this Nation.

This should be one of the simplest and easiest votes anybody in this body casts over the next few days, because it is such a small vote in the area of numbers compared to the entire spending that is planned over this period—\$8.3 trillion, \$934 billion in deficit, and way down here, this number plus \$20 billion is what we are asking for in the cut in the Lott proposal. It is a very reasonable proposal. It is extremely fair and is not asking us to do anything overly courageous. It is asking us to do something as a starting point, so that tonight, and hopefully for the next few days, when we go home and look at our children, we will not have to say to them: Here is the bill we are passing on to you. We can say to them: We are still going to give you a big bill, but at least we had the guts to cut it a little bit. I support what Senator LOTT is proposing, and I hope this body will also support it.

I yield back whatever time I have remaining.

Mr. LOTT. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 6 minutes 19 seconds.

Mr. LOTT. We were waiting for the Republican leader. I believe he will be here momentarily, and my intent is to yield to him the remainder of the time. I ask the Senator from New Mexico, is any other time remaining, or will we be prepared to vote at that time?

Mr. DOMENICI. I think we will. They are finished with their time. Quarter of was the time we were trying to hold to. So I think we will vote.

I know the Senator needs that time for Senator DOLE. But I want to speak 2 minutes on the bill, not in opposition to the Senator's amendment but merely to make an observation.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. DOMENICI. We find ourselves in a very strained and awkward position, and I want to make a couple of obser-

vations for the Senate from my vantage point regarding what Senator LOTT is trying to do.

Frankly, the Republicans offered an alternative today and had the full support of almost every single Republican. As I remember it, two Senators voted against it. It made the Republican case for real substantial entitlement cuts and for a moving toward a balanced budget in a realistic way. Senator LOTT was there in the forefront supporting that. I believe what he is doing in his amendment should in no way detract from the fact that there is no stronger supporter for defense than Senator TRENT LOTT in this body.

Whatever the interpretation of his amendment, it is because of the nuances and peculiarities of budget processes. The truth of the matter is that he clearly intends to reduce the deficit more than was done in the Budget Committee, and he intends to do it in a way which he feels very comfortable with in spite of his very strong feelings with reference to defense.

It just happens that there are interpretations indicating that some of the things he hopes to do will not be mandated on this body, but will be there as clear intentions and clear guideposts.

So I commend him for his effort. I am very hopeful that we can do something very specific before we are finished with reference to defense if, in fact, we have to.

Once again, I commend the Senator from Mississippi for his efforts here on the floor. The amendment, which takes an amendment which I intend to offer and incorporates it in his, is a good amendment, a solid amendment. The other Republicans speaking to it have so indicated, and I laud him for it.

The PRESIDING OFFICER. The Senator from Mississippi has 5 minutes and 29 seconds.

Mr. LOTT. Mr. President, I yield the remainder of my time to the distinguished Republican leader, Senator DOLE.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, there is nothing very complicated about this amendment. It takes the \$26 billion discretionary outlay cuts contained in the Exon-Grassley amendment. It ensures that these will come from nondefense accounts, and it cuts entitlement spending—and also I think the excellent amendment by the Senator from New Mexico—by \$20 billion over 5 years, and locks in those savings for deficit reduction.

I have listened to the debate on the floor, and I must say I do not consider this to be some kind of a pork barrel or grab bag for all the different services in the Defense Department.

I think we can just look at one threat we are facing right now in North Korea, and it will have a sobering effect on a lot of people. This is dangerous business in North Korea.

I am not certain where we are from the standpoint of what we might be able to do there.

I was told today by the Government Accounting Office that if we go to send 25,000 troops to help keep the peace in Bosnia, they are going to have to call up the Reserves.

So I think we ought to be very careful when we say: Take it out of defense; take it out of defense.

That is the point that is made by the Senator from Mississippi in his statement just a few moments ago.

We hear time and time again how entitlements are consuming a large and growing share of the Federal budget. It is no secret that entitlement spending is the main force driving up the deficit.

We are told we have to save that money for health care. That will be the next amendment. I do not think that is the case. We ought to be talking about how to save money before we start talking about how to spend more money on health care.

I think this amendment offers a balanced approach. It cuts nondefense discretionary. It cuts entitlement spending and, above all, it reduces the deficit.

I believe that most supporters of the Exon-Grassley amendment never intended the cut to apply to defense. But we are being told that defense will bear the lion's share of the burden of these cuts.

In my view, as I said earlier, this is the wrong time to make further cuts in defense. When Candidate Clinton talked about cutting defense, as I recall, he was talking about \$60 billion on top of the \$60 billion President Bush already advocated. We cut defense by about \$127 billion, and it is starting to have an impact on defense.

Defense was never meant to be a jobs bill. It was not meant to guarantee all bases remain open. But it was meant to protect us from potential problems around the world, because whether we like it or not, America is the leader in the world now, whether it is militarily or economically, or whatever.

I remind my colleagues that we had a similar debate in 1990, before Saddam Hussein reminded us that the world was still a dangerous place. A lot of people thought: Just do not cut other programs; just take it out of defense. Our troops prevailed in Desert Storm only because President Reagan and President Bush maintained the commitment to be strong.

The continued slashing at the defense budget has already taken a heavy toll. We have cut the defense budget every year for the past 10 years.

So it just seems to me the defense budget has already taken a heavy hit. The Senator from Mississippi pointed out 35 percent, as I recall.

So I think we have to take a look at the real world outside the Appropriations Committee, the Budget Commit-



tee, the Finance Committee, or whatever committee. Wishful thinking will not protect American interests. I think it is time we stop the raid on the defense budget.

I hope we will have the support of the President of the United States, who said himself, in the State of the Union Message: "We cut defense enough."

So I urge my colleagues to support what I consider to be a very good amendment for the reasons outlined by the Senator from Mississippi and underscored by the Senator from New Mexico.

The PRESIDING OFFICER. All time has expired.

The question occurs on amendment No. 1563, offered by the Senator from Mississippi [Mr. LOTT]. On this question, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. METZENBAUM] and the Senator from Michigan [Mr. RIEGLE] are necessarily absent.

The PRESIDING OFFICER (Mr. MATHEWS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 64, as follows:

[Rollcall Vote No. 69 Leg.]

#### YEAS—34

Bennett	Gorton	McConnell
Bond	Gramm	Murkowski
Brown	Grassley	Nickles
Burns	Gregg	Pressler
Cochran	Hatch	Roth
Cohen	Helms	Simpson
Coverdell	Hutchison	Smith
Craig	Kassebaum	Thurmond
D'Amato	Kempthorne	Wallop
Danforth	Lott	Warner
Dole	Mack	
Faircloth	McCain	

#### NAYS—64

Akaka	Feingold	Mikulski
Baucus	Feinstein	Mitchell
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boren	Graham	Murray
Boxer	Harkin	Nunn
Bradley	Hatfield	Packwood
Breaux	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Jeffords	Robb
Campbell	Johnston	Rockefeller
Chafee	Kennedy	Sarbanes
Coats	Kerrey	Sasser
Conrad	Kerry	Shelby
Daschle	Kohl	Simon
DeConcini	Lautenberg	Specter
Dodd	Leahy	Stevens
Domenici	Levin	Wellstone
Dorgan	Lieberman	Wofford
Durenberger	Lugar	
Exon	Mathews	

#### NOT VOTING—2

Metzenbaum Riegle

So the amendment (No. 1563) was rejected.

Mr. SASSER. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I rise today to make some comments about

the fiscal year 1995-99 budget resolution.

As several of my colleagues have already said, this budget resolution contains few surprises. However, I have a few concerns about the direction that the debate on this bill may take.

#### DEFENSE

First, I am deeply worried about the continuing decline in defense budgets. Given the recent events in North Korea, I think we need to be especially cautious.

I would like to remind my colleagues that there are still potential, serious shortfalls in the defense budget.

My colleagues on the Armed Services Committee have already raised the red flag regarding unrealistic future inflation estimates for this particular budget.

I also remain concerned about potential shortfalls regarding bottom-up review requirements. I have seen widely varying estimates, but they are all in the billions of dollars.

I think we are harming military readiness with continued budget cuts. Let us put this in perspective: If we continue on our current course, entitlement spending will have increased by almost 40 percent between 1990 and 1999, domestic discretionary spending will have increased by 12 percent over that same time period, but defense spending will have decreased by 35 percent.

Therefore, I cannot support amendments to this bill that will make further cuts in our defense budget. As much as I support increasing funding for IDEA, as set forth in the Jeffords-Dodd amendment, I just cannot support cutting defense further to accomplish this.

I am pleased that the President promised Americans that he will not try to accelerate cuts in the defense budget. In my opinion, defense has already taken more than its fair share of cuts.

#### THE REPUBLICAN ALTERNATIVE

I think the Republican alternative budget is a positive step forward. I am a cosponsor of S. 1576, which is the basis for a good part of the alternative.

We hear a lot about empowerment these days. I think that the group that needs empowerment today is the American family.

But there are other folks out there who think empowering a family means creating more Government-run programs and entitlements.

I disagree. I think the best way to help families is to reduce the intrusion of Government in their lives. This includes the intrusion of Uncle Sam in a family's pocketbook.

The centerpiece of the bill is a \$500-per-child tax credit. I am 100 percent behind this initiative, because I think giving tax relief to hard-working families is long overdue.

As I am sure my colleagues know, the dependent tax deduction has not

kept pace with inflation. A nonrefundable tax credit like this would keep more money in the pockets of families.

I know there are a lot of Montanans who would tell you that they could spend their money a lot better than any Government bureaucrat can.

This tax credit would provide the middle class tax cut that families were promised not too long ago.

This alternative budget plan includes other provisions that I have been fighting for since I arrived in the Senate, including indexing the capital gains tax, and expanded access to individual retirement accounts. It would also provide deficit reduction.

I must say, however, that I would prefer that the money to pay for this plan not come from the additional funding added into the budget resolution by the committee for the Impact Aid Program LIHEAP, Rural Electrification Administration, or Head Start Program. Portions of these programs were cut in the President's budget and the committee added back extra funding.

However, the opportunity to provide Montana families with \$98 million in direct tax relief is too important to pass up. I voted in favor of this plan when it appeared before the Senate today.

#### FUNDING FOR THE BYRNE MEMORIAL PROGRAM

##### AMENDMENT NO. 1558

Mr. HOLLINGS. Mr. President, I yield to no Senator in my support of the Edward Byrne Memorial Program. In the community-level war against crime, this has been a hugely successful program—both nationally and in my own State of South Carolina.

In South Carolina, more than 170 criminal justice professionals are currently funded as a direct result of the fiscal year 1993 Byrne Memorial Formula Grant Program. These individuals are involved in Drug Abuse Resistance Education [DARE] projects, public defender projects, addiction treatment units, and Community-Oriented Policing [COP] projects. South Carolina will receive \$5.1 million in Byrne Memorial grants in fiscal year 1994. The Byrne Memorial Program is making a very real difference in city and county police departments across my State.

Because of my strong support for this program, I want there to be no misunderstanding of my vote Tuesday on the Gorton amendment to the budget resolution. As we all know, the administration's proposed fiscal year 1995 budget would eliminate Byrne formula grants, while increasing Byrne discretionary grant funding. The Gorton amendment proposed to restore \$375 million in Byrne formula grant funding by cutting an offsetting amount from spending on new furniture and furnishings in the executive branch.

I was the only Senator to vote against the Gorton amendment, which

was adopted 97-1. My vote on that amendment was in no way a vote against the Byrne Memorial Program. It was a vote specifically against the transparent shenanigan of allegedly funding the Byrne Memorial Formula Grant Program by taking money from an alleged furniture fund. The truth is, there is no such furniture fund to raid. This was strictly a feel-good amendment with no practical consequences whatsoever.

Despite passage of this amendment, any attempt to restore fiscal year 1995 funding on the Byrne Memorial Formula Grant Program will have to take place within the allocation provided to the Commerce, Justice, State, and Judiciary Appropriations Subcommittee. As chairman of that subcommittee, I will continue my fight to preserve this program, as I have in the past. But I am under no illusion—and nor should anyone else—that as a result of the Gorton amendment, my committee's overall allotment will be increased by \$375 million. That simply is not the way the process works.

I make no apologies for my lone vote against the Gorton amendment. Time will abundantly prove that the Gorton amendment was an empty—and perhaps cynical—gesture. The Byrne Memorial Formula Grant Program may be restored in the end, but its funding won't come from any phantom furniture fund. It would have to come from hard, painful tradeoffs among equally important programs under the jurisdiction of my Commerce, Justice, State and Judiciary Appropriations Subcommittee.

#### AMENDMENT NO. 1580

Mr. HATFIELD. Mr. President, I intend to vote for the Republican substitute budget resolution presented to us today because its guiding principle is that we must strive harder to reduce the deficit, cut the growth rate of entitlement programs, and enable private enterprise to prosper. However, I disagree with several of the proposals assumed under this substitute, and will describe my objections shortly.

One of the greatest challenges facing Congress today is to get control over our budget deficit. This Republican substitute amendment would cut the deficit to \$99 billion by 1999, whereas the resolution passed by the Budget Committee only cuts the deficit to \$192 billion by 1999. Most of this extra deficit reduction would be attained by lowering the rate of annual growth in Medicare and Medicaid—the largest and fastest growing mandatory programs—by imposing real cost cutting measures. However, this is done without jeopardizing service to the elderly, the sick, and the poor. This proposal allows Medicare to continue to grow by 7.8 percent annually, and Medicaid to grow at 8.1 percent per year, and makes no changes at all in Social Security.

Another important point in favor of this substitute is the set of tax provi-

sions that will benefit middle-class families. This includes a \$500 credit for each child, individual retirement accounts [IRA's] for homemakers, IRA withdrawals for first-time home purchases, and deductibility of interest on student loans. Beneficial tax incentives for businesses include the indexing of capital gains and depreciation schedules to inflation, and extending the research tax credit and employer educational assistance programs for an additional year. These are all proposals that I have supported and will continue to support.

One section of this amendment that I object to and have opposed in the past is the proposal to single out nondefense spending for additional reductions over the next 5 years, while allowing for an increase in the defense budget by \$20 billion over the committee recommendation. Discretionary spending should not be divided into separate categories or caps that favor defense over important nondefense programs. Shifting funds to defense at a time when we are struggling to find funds for low-income energy assistance programs and child immunizations does not make sense. Similarly, the assumption that reductions are needed in overhead expenditures for university research is unwarranted in my opinion.

Another proposal in this substitute amendment with which I disagree involves fully funding the trust fund established in the Senate crime bill last year. I was one of the few Senators to vote against this method of funding our crime fighting priorities because, while proper funding of worthy justice programs is crucial, I believe that crime programs can and should compete in the usual appropriations process. Making more and more pieces of our Government into entitlement programs with separate trust funds will not lead to budget efficiency or to an effective approach for fighting the root causes of the horrible crime threatening this Nation.

Finally, because the Davis-Bacon Act is not mentioned by this amendment or its authors, it is my understanding that a previous proposal to repeal Davis-Bacon that was associated with a Republican alternative amendment has been deleted or modified. While I would strongly oppose a repeal of Davis-Bacon, I would not object to some modest reform proposals.

It is important to note that the budget resolution we are considering today does not enact any laws. Rather, it is a statement of intentions and principles with unwritten assumptions as to how we might meet those broad objectives. Only twice in the last 20 years has the Appropriations Committee adopted the same spending totals for the general function areas—areas such as "Justice" or "Health"—that the budget resolution contained. So, while I am concerned about some of the guidelines in

this amendment, I am hopeful that the Congress will not approve some of these proposals when the Appropriations Committee takes up the actual laws implementing the Nation's spending priorities later this year.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The majority leader.

#### ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, if I may have the attention of Senators?

Last week, in a regular scheduling meeting with Senator DOLE, which as all Senators know I hold constantly, I advised Senator DOLE in response to his inquiry that it was my intention that the Senate complete action on certain measures prior to the upcoming Easter recess. I identified several bills which I hoped we would be able to complete action on, and we have now completed action on all of those I identified except for three. The three measures which remain are the pending budget resolution; the conference report to accompany H.R. 1804, that is the Goals 2000, Educate America bill; and the so-called buyout bill, Federal employees buyout bill.

Earlier this week, in a subsequent scheduling discussion with Senator DOLE, he advised me that Republican Senators would not agree to take up the education bill, and that there would be a filibuster if the bill were to be brought up. I indicated to Senator DOLE that, were that to be the case, then I would seek to proceed to the bill and file cloture motions on the bill so we could have cloture votes to see if we could end the filibuster and proceed to vote on the bills. The House has completed action on the measure, and the papers are now present in the Senate.

Just a few moments ago, I was advised through staff of the Republican leader that not only would Republican Senators filibuster the education bill but that they would require the clerk to read the entire conference report which, as we know, is permitted under the rules. That is one of the rules that I have urged be changed, for obvious reasons, and reasons which are relevant now. But nonetheless, it is the rule now.

I am further advised by the clerk that it is estimated that it would take between 6 and 7 hours to read the conference report. And if we are required to do that, then the clerk will do so and we will remain in session until the conference report is read, at which time we will proceed to the conference report and I will file the cloture motions.

That is likely not to occur until early tomorrow morning, Thursday,



which means that the cloture motions would ripen for a vote on Saturday. It is not my intention to inconvenience Senators, and I have tried very hard in this process to minimize the inconvenience to Senators, but if the filibuster is to occur and if the reading of the report is to be required, then there will be no alternative but to having at least one cloture vote, probably two, and additional votes on Saturday. That is an outcome that I very much hope can be avoided and will do all I can to avoid. But since I have just been presented with this demand, of which I had not been previously aware, I felt it important to notify Senators that it is possible that the travel schedules will be interrupted.

The same holds true with respect to the so-called Federal buyout bill. We do not have that yet from the House, and I have not been notified of what our colleagues intend to do with respect to that bill.

But I just want to say to my colleagues that it is my intention that the Senate will remain in session until we complete action on the budget resolution, the conference report on the education bill, and the conference report on the Federal buyout bill, however long that takes, and I hope it does not take as long as would be possible under the rules.

I will momentarily, after, of course, permitting the distinguished Republican leader to make such comments as he wishes to make, seek consent to proceed to the education conference report. Failing that, we will move to proceed to it, and I simply wanted to put Senators on notice to that effect.

Mr. President, I will be pleased now to yield to the distinguished Republican leader without losing my right to the floor.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, I am advised the House is now voting on the second conference report, the buyout bill, on the motion to recommit to put in the crime bill provision spending so we can lock it in so it is not spent somewhere else. But that motion to recommit is losing, even though 250 Members voted to instruct the conferees earlier this week. So it shows nothing changes. You can vote both ways most of the time.

I would just suggest that the majority leader is accurate in what he said. This can be remedied very quickly if we arrange to put the Helms amendment back into the Goals 2000 bill. We would not be in this predicament now if they kept the amendment in conference, which passed the Senate by a vote of 3 to 1—70 some to 20 some. Therein lies the problem.

The Senator from North Carolina feels very strongly about it. The Senator from Massachusetts [Mr. KENNEDY], the manager of the bill, voted

for the amendment. It had broad bipartisan support, and it was the hope of the Senator from North Carolina and others who supported the amendment that that would be part of the conference report. Had it been part of the conference report, then we would not have the dilemma which faces all of us now, as we near a recess.

So I understand the Senator from North Carolina will request that the report be read, and I will check with my colleagues with reference to the so-called buyout bill so I can convey that information to the majority leader at the earliest possible time because, as always happens at recess time, some people make plans to leave and sometimes they are interrupted. This may be one of those times.

Mr. KENNEDY. Will the Senator yield?

Mr. MITCHELL. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, my friend, the Republican leader, did not really state the situation accurately in terms of the conference report language dealing with prayer in school. I will take a later time to explain again and review the three different school prayer amendments. There were three different amendments. There was the amendment of Senator HELMS, of Senator DANFORTH, and of Senator LEVIN.

Coming back from the conference, in the conference report are the following words:

No funds authorized to be appropriated under this act may be used by any State or local educational agency to adopt policies that prevent voluntary prayer and meditation in public schools.

I believe that we have carried basically the sense expressed in the Senate. We did that in a conference with the House of Representatives, and this has been the language which has been included in appropriations bills since 1982 and has been effective in dealing with this issue.

They have been in since 1982, and it has not been challenged. Here we have an extremely important education bill that has passed overwhelmingly in the House and here with bipartisan support, and we have appropriations that are dependent upon action to be taken prior to next week.

That is the situation that we have found ourselves in. So I just wanted to mention to the body that in terms of what comes back in the conference report, we will be glad to debate that issue. I also give assurances that we will have the elementary and secondary education bill, chapter 1, later in this session. We can always come back and, if the body wants to, revisit this particular issue and have a full debate on it. There is obviously no time limitation. So we have the opportunity to take this language in a timely way and

to reconsider that issue, if that is the will of this body in a timely way before the end of the session. It seems to me that that is a reasonable way to proceed.

I thank the leader.

Mr. MITCHELL. I yield to the Republican leader.

Mr. DOLE. Mr. President, I say to the Senator from Massachusetts, I did not mean to give any inaccurate information. I guess the point I wanted to make is the Helms language is not in the conference report.

Mr. MITCHELL. Mr. President, the Senator from North Carolina would like to make a comment. I yield to him without losing my right to the floor.

Mr. HELMS. May I have the floor in my own right?

Mr. MITCHELL. I have the floor.

Mr. HELMS. Mr. President, let us review the bidding. This is supposed to be a body of 100 Senators and I, for one, am getting a little sick and tired of one Senator presuming to speak for all the rest of us when he does not represent the opinion of the rest of us.

Let us review the bidding, where we stand.

On February 3, the Senate voted 75 to 22 in favor of the Helms-Lott school prayer language as an amendment to H.R. 1804, the so-called Goals 2000 bill.

On February 23, the House voted 367 to 55 to instruct the House conferees on the Goals 2000 bill to accept the Helms-Lott school prayer amendment from the Senate.

On March 17, the House and Senate Goals 2000 conferees dropped the Helms-Lott amendment and substituted do-nothing language authored by Representative PAT WILLIAMS, and this was done in the last 60 seconds of the conference without a vote on the issue.

Now, I checked with staff members who were there. It was an orchestrated thing. Mr. KENNEDY said, after everybody just about had left, "Is there anything else?" And Mr. WILLIAMS said, "Oh, yes. We have a school prayer amendment." And my understanding is that Mr. KENNEDY said, "Well, we will take it."

And that was it. And, of course, they tried to back me in the corner about having the conference report read. Mr. KENNEDY backed the Senate in that corner.

Now, on May 21, the House voted 345 to 64 to add language identical to the Helms-Lott school prayer language as an amendment to H.R. 6, the Elementary and Secondary Education Reauthorization Act. That vote came after the House had voted 171 to 239 to reject Representative WILLIAMS' attempt to add his do-nothing language as an amendment to H.R. 6.

So do you see the pattern? In the last 60 seconds of the conference, in this prearranged, one-act play by Mr. KENNEDY of Massachusetts and Mr. WIL-

LIAMS, or whoever it was representing the House side, they did away with the Helms-Lott amendment and they put in this do-nothing amendment.

Now, what am I supposed to do; say, "It is OK, boys?" It is not OK, boys. I am not going to tolerate it. I hate to inconvenience anybody. I will stay here and you can go ahead for your Easter holidays if you want to. The majority leader is not going to get cloture, and he knows that he is not going to get cloture. But fair is fair and right is right, and 100 Senators make up this Senate, not the Senator from Massachusetts by himself.

I yield the floor.

Mr. KENNEDY addressed the Chair.

Mr. MITCHELL. Mr. President, I have the floor. I will give the Senator from Massachusetts an opportunity to respond briefly. Then I am going to make a brief statement, and proceed with this matter.

Mr. KENNEDY. Mr. President, the conference chronology is the following:

The conference committee met first on Tuesday, March 15. On the afternoon of that day, Senate staff were provided with language to be offered by the House in lieu of the Senate amendments on school prayer.

On Tuesday afternoon, the House language was given to the staff of the Republican Senators on the conference committee. They advised the staff of Senator Helms, who came to the conference committee late Tuesday afternoon. Staff of Senator Helms was given the House language and discussed their views of the language with the staff of the Republican and Democratic Senate conferees.

At the conference committee meeting on Tuesday afternoon, it was announced that the school prayer issue remained open and would be discussed at a later time.

The conference committee next met on Wednesday afternoon, March 16. It was announced at that meeting the school prayer issue still remained open and that the House members preferred to leave that issue for resolution until the issue of the opportunity-to-learn standards was resolved at the next day's conference.

Quite frankly, if that was not resolved, the bill was going down.

Senator Helms' staff was present at the conference that day.

The conference committee next met on Thursday afternoon, March 17. The conference committee reached a compromise on the opportunity-to-learn standards question. The House then offered its proposal on school prayer which was discussed by the conference committee and then accepted.

To summarize, staff for all the Republicans on the Labor and Human Resources Committee as well as the staff of Senator Helms was presented on Tuesday with the language that the House offered on school prayer 2 days before the offer was made. We repeatedly stated in the conference on each day the school prayer issue remained to be resolved and every effort was made to advise interested Senators of the proposed outcome.

Finally, I would remind the Senate that Senator DANFORTH's amendment was accepted 97 to zero and the Levin amendment was accepted unanimously. Those Senators were entitled to have their interests represented, as well. So

I reject categorically any suggestion that this issue was not resolved in the openness of a committee conference. And I, too, am prepared to remain here. And the American people are prepared to watch and see whether this body is going to go forward and make progress on the important issues of education, or whether we are going to face the obstructionist tactics of Senators who have objected on other occasions to education issues as well.

I thank the majority leader.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President—

Mr. HELMS. Mr. President, I know the majority leader will allow me to respond to that because it is just as "unfactual" as it can be. I implore the majority leader to let me set the record straight.

Mr. MITCHELL. Mr. President, can the Senator set the record straight in 2 minutes?

Mr. HELMS. I may have to talk like Donald Duck to do it in 2 minutes.

Mr. MITCHELL. The Senator will have plenty of time because if what he wants occurs, we will be in session all night, and I expect he will have the floor to himself all night. But go ahead and respond.

Mr. HELMS. I am the one Senator KENNEDY is trying to roll on this thing, not to mention the Senators who voted for the Helms-Lott amendment in good faith. Now, I will not take any more than 2 or 3 minutes.

Mr. MITCHELL. That is fine. Why not go ahead.

Mr. HELMS. Here is the chronology of what occurred with the Helms-Lott school prayer amendment in the conference on the Goals 2000 bill.

On Tuesday, March 15, at approximately 6 p.m., my staff was notified by Senator THURMOND and Senator COATS' staff that the Goals 2000 conferees meeting in the Senate Foreign Relations Committee room in the Dirksen Building would be considering the school prayer issue shortly.

My staff went to the meeting and was given a copy of Representative PAT WILLIAMS' proposed substitute language and immediately informed WILLIAMS' and KENNEDY's staff that that language would be unacceptable to me because as a practical matter it did nothing.

And I reiterate, it is a do-nothing amendment, and it was intended to be one of these "CMF" amendments, meaning "cover my fanny."

Now, my staff person informed me that he stayed at the meeting, but conferees themselves never discussed school prayer that night and the meeting was continued to Wednesday, March 16, at 10 a.m. in the Rayburn Building on the House side.

On Wednesday, March 16, at approximately 1 p.m., my staff was again notified that the Goals 2000 conferees would

be considering school prayer shortly. My staff went to the House and stayed until the conference was continued over to Thursday on the Senate side at a time to be announced in room S-207 of the Capitol. Again, school prayer was not discussed on Wednesday.

On Thursday, March 17, at approximately 2 p.m., the conferees met again though my staff was never notified.

You see the pattern, Mr. President?

The meeting actually took place in Senate Foreign Relations room in the Capitol, not S-207, and lasted about 20 minutes.

Senator THURMOND's and Senator GREGG's staff later informed me that after the conferees finished discussing an agreement on the opportunity-to-learn standards issue in the bill, Senators KENNEDY, KASSEBAUM, PELL, and JEFFORDS were getting ready to leave for the last time when KENNEDY asked Representative WILLIAM FORD, chairman of the House Education and Labor Committee, if there were any other issues to be considered. Mr. FORD said the school prayer issue was left, and Mr. KENNEDY asked if there was any proposal on the issue.

See how it was a set-up job, Mr. President?

Mr. FORD said "yes." He and Representative KILDEE had substitute language authored by Representative PAT WILLIAMS. Mr. KENNEDY said that was fine with him and then everybody left. There was no vote on the school prayer issue or on final passage of the conference report.

Those are the facts. I have checked them not only with my staff, but with staffs of other Senators, and they say this report is right.

Now, I am not going to pound the table and say, "No, no, no, no," nine times, but this kind of business has to stop. This is a 100-person Senate. The Senator from Massachusetts does not own this Senate, and he is not going to run the show as long as I have breath left in me.

Mr. KENNEDY. Mr. President, 10 seconds.

Mr. MITCHELL. Ten seconds.

Mr. KENNEDY. I was glad to hear the chronology of the Senator from North Carolina basically reinforce what I represented. Republican Senators including Senator HELMS had notice of the proposed House offer 2 days before it was made. There was no objection to the acceptance of that offer by any Senator attending the conference. No objection. It was agreed to by the conferees.

Mr. MITCHELL. Mr. President, we now have competing chronologies from which any Senator can make his or her choice. I just want to make one general comment so there can be no misunderstanding about this.

There should be no suggestion that an amendment adopted in the Senate and not being accepted in conference is



an unusual event in the Senate. It is a daily event. I have had many amendments that I have offered that have been accepted in the Senate, sometimes by a 100-to-nothing vote, and then have not made it through conference.

Every Senator has a right to object to that and to oppose that, and use the rules in such a manner as he or she chooses. But there should be no implication—and I know none was intended—that an amendment adopted in the Senate and then not accepted in conference is an unusual event. It is not. It is a very common event. It happens every day.

Mr. President, I want to say this: In a moment I am going to seek consent to proceed to the conference report. If objection is made, I will then move to proceed to it. And if a request is made to read the conference report—that is permitted under the rules—it will occur.

I just say to Senators, when that is over, whatever time it is, there will be a rollcall vote on the motion to proceed, followed by other rollcall votes.

Finally, of course, it should go without saying—and I want to make it clear—that if we are required to read it, then of course those who insist on the reading will have to be present, because if not present we will move to terminate the reading so that we can proceed to it.

Mr. DOLE. Mr. President, I do not disagree with what the majority leader said. You have a provision in our bill, and as I understand it, the same provision is in each bill.

Mr. KENNEDY. There is no provision in the House bill.

Mr. DOLE. No provision at all in the House bill?

Mr. KENNEDY. No.

Mr. DOLE. They had a vote referred to. They voted by 321 to—voted on the same provision in the House bill. I wonder if the Senator from Massachusetts would entertain a unanimous-consent request to proceed to consideration of the concurrent resolution to correct the enrollment of the conference report by including the identical text of the Helms language. That way we could complete this in about 5 minutes.

Mr. KENNEDY. If the Senator will yield, we have the language of Senator DANFORTH, and the language of the Senator from Michigan. We have all three languages.

What we have attempted to include in the conference report is what is existing law with the clear opportunity that it could be altered or changed in the House or in the Senate, on education or any other topic. We also made that permanent.

Senator DANFORTH is here, and he made, I think, one of the very eloquent and most compelling presentations on this issue during the course of the debate, and received a 97 to 0 vote. And

Senator LEVIN's amendment was accepted on a voice vote without a single objection, related to this same subject. The House of Representatives, without any kind of language.

And we come back with that language which I have just referred to that says:

No funds to be appropriated under this act may be used by any State or local educational agencies to adopt policies that prevent voluntary prayer and meditation in public schools.

I think we have fulfilled the responsibility of the Senate. If this body wants to address this issue at another time, then that is certainly a matter for us to consider. Clearly, we can.

Mr. MITCHELL. Mr. President, I think we are not going to resolve it in that manner. I think we ought to know we are going to have to have a reading, then we are going to have a vote somewhere between now and 2 a.m. or 3 a.m. We might as well get going on it, if that is going to have to happen.

Mr. DOLE. Mr. President, it will not be possible to take all of this time out of the budget?

Mr. DOMENICI. We have taken out too much already.

Mr. DOLE. Just an idea.

Mr. DOMENICI. If it is fine with the majority leader, it is not fine with me.

Mr. MITCHELL. Mr. President, did the Senator from South Carolina want to speak?

Mr. THURMOND. Mr. President, I was just going to make a suggestion similar to Senator DOLE's, but he has already made that point. I thank the Senator.

I am just hoping, Mr. President, that the Senator from Massachusetts, who is a friend of mine, and a friend of all of us, would be gracious enough to wind this thing up. The Senate has voted overwhelmingly for this amendment. The House has voted overwhelmingly for this amendment. So why can we not go ahead and adopt this Helms amendment?

Mr. MITCHELL. I think that has been already been determined, I say to the chairman. I thank him for his comments.

#### GOALS 2000: EDUCATE AMERICA ACT

Mr. MITCHELL. I now, Mr. President, ask unanimous consent that the Senate proceed to the consideration of the conference report accompanying H.R. 1804, the Goals 2000: Educate America Act.

Mr. DOLE. I object.

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. I want to make clear. I am now going to move to proceed. If the clerk is required to read this report, whenever that report is completed, there will be a rollcall vote

on the motion to proceed. There may well be other votes.

If we have to have a cloture vote on Saturday, I guarantee everybody there will be several votes, including procedural votes on motions to instruct the Sergeant at Arms.

So there can be no misunderstanding, I hope it does not occur. If we have to stay over until Monday to complete this, we will stay until Monday. And there will be several votes on that day. I cannot guarantee a vote on the substance because our colleagues can prevent us from doing that. But I can, and I do, guarantee procedural votes. So Senators who are not here will miss those votes as well.

#### MOTION TO PROCEED

Mr. MITCHELL. Mr. President, I now move to proceed to the conference report accompanying H.R. 1804, the Goals 2000: Educate America Act.

Mr. HELMS. Mr. President, I demand that the conference report be read.

Mr. DOMENICI. Mr. President, do I understand that we are now off the budget resolution?

The PRESIDING OFFICER. The clerk will report.

The legislative clerk proceeded to read the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 21, 1994.)

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the conference report be dispensed with.

Mr. MACK. Mr. President, I object.

The PRESIDING OFFICER (Mr. CONRAD). Is there objection?

Mr. MACK. Mr. President, I object.

Mr. WELLSTONE. Mr. President, I just wanted to make sure my colleague was alert.

The PRESIDING OFFICER. The clerk will continue to read the conference report.

The legislative clerk continued to read the conference report.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the conference report be dispensed with.

Mr. COATS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to read the conference report.

The assistant legislative clerk continued with the reading of the conference report.

Mr. KENNEDY. Mr. President, I ask that further reading of the conference report be dispensed with.

Mr. COATS. I object.

The PRESIDING OFFICER (Mr. HARKIN). Objection is heard.

The clerk will continue reading the conference report.

The bill clerk continued with the reading of the conference report.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that the reading of the conference report be temporarily dispensed with for the purpose of propounding a unanimous-consent request.

The PRESIDING OFFICER. Is there objection to this request that the reading of the conference report to be temporarily laid aside?

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. What was the request, Mr. President?

The PRESIDING OFFICER. Would the Senator state the request again?

Mr. HELMS. I certainly will.

I ask unanimous consent that the reading of the conference report be temporarily dispensed with for the purpose of propounding a unanimous consent request.

The PRESIDING OFFICER. Is there objection to the request?

Hearing none, the reading is temporarily laid aside.

Mr. HELMS. I thank the Chair.

First of all, I want to thank the distinguished clerks who have been so diligently reading the conference report this evening.

#### UNANIMOUS-CONSENT REQUEST

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 230, to correct the enrollment of the conference report to accompany H.R. 1804; and that it be in order for the Senator from North Carolina [Mr. HELMS] to modify the resolution with the text of amendment No. 1382; and that there be then 30 minutes to be equally divided in the usual form; and that upon the use or yielding back of time, the Senate, without any intervening action or debate, vote on the concurrent resolution.

I further ask unanimous consent that once the Senate has adopted the concurrent resolution, as modified, and immediately upon the receipt of the House message that the House has agreed to House Concurrent Resolution 230, without further modification, the conference report to accompany H.R. 1804 be deemed agreed to and the motion to reconsider be laid upon the table.

I further ask unanimous consent that if the Senate does not receive the House message re: action on the concurrent resolution, prior to the business on Friday, March 25, or receives the message that the House has further modified the concurrent resolution, that the conference report then become the pending business on Monday, April 11, and that following 1 hour of debate, a cloture vote occur on the conference report, under the provisions of rule 22.

Further, I ask unanimous consent that immediately following the disposition of the concurrent resolution, the Senate resume consideration of the budget resolution.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. KENNEDY. Mr. President, I object and I ask that further reading of the conference report be dispensed with.

The PRESIDING OFFICER. The clerk will continue reading the conference report.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The reading of the conference report was temporarily laid aside only for the purpose of propounding a unanimous-consent request, which was objected to. Therefore, the clerk will continue reading the report.

The bill clerk continued to read the conference report.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from North Carolina is recognized.

The HELMS. Mr. President, I suggest the absence of a quorum.

Mr. KENNEDY addressed the Chair.

Mr. HELMS. Regular order, Mr. President.

Mr. KENNEDY. Mr. President, I ask unanimous consent to dispense with the reading.

Mr. HELMS. I object.

The PRESIDING OFFICER. The clerk will read.

The bill clerk continued to read the conference report.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. I ask unanimous consent that the reading of the conference report be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report on H.R. 1804, the Goals 2000 education bill; that there be 30 minutes for debate, equally divided in the usual form on the conference report; that upon the use, or yielding back of that time the Senate, without any intervening action or debate, vote on passage of the conference report; that upon the disposition of the budget resolution, the appointment of conferees thereto and the disposition of the conference report on H.R. 3345, the Federal Workforce Restructuring Act, the Senate proceed to the consideration of a bill to be introduced by Senator HELMS that is identical to the text of amendment No. 1382; that the only amendment in order to that bill be a relevant one to be offered by Senator LEVIN; that upon the disposition of the conference report on H.R. 1804, the Senate proceed to the consideration of the conference report on H.R. 3345 for the purpose of filing of cloture motions; and that when the Senate resumes con-

sideration of Senate Concurrent Resolution 63 at 9 a.m. tomorrow there be 10 hours remaining for debate equally divided.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The majority leader.

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 12:30 a.m. today the Senate vote on my motion to proceed to the consideration of the conference report on H.R. 1804; that if the Senate votes to proceed to that conference report that I be recognized to offer two cloture motions on the conference report; that the Senate then proceed to a vote on my motion to proceed to the conference report on H.R. 3345, the Federal Workforce Restructuring Act, following which I be recognized to offer two cloture motions; that if the Senate votes to proceed to that conference report, that I then be recognized to offer two cloture motions to that conference report.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Then, Mr. President, I ask unanimous consent that at 12:30 a.m. today the Senate vote on my motion to proceed to the conference report on H.R. 1804, the Goals 2000 education bill.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNANIMOUS CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, prior to the quorum call, I propounded three unanimous consent requests, each of which were objected to.

I now renew the second of those requests, the substance of which was that we would have a rollcall vote at 12:30 on my motion to proceed to consideration of the conference report on the Goals 2000 education bill, following which I would offer two cloture motions to that conference report, following which we would vote in a recorded rollcall vote on my motion to proceed to the conference report on the Federal Workforce Restructuring Act, following which I would offer two cloture motions on that.

This is the substance of the request which I made earlier to which objection was heard, and I now renew that request.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I will not object, I just want a clarification. These would ripen on Saturday?



Mr. MITCHELL. That is correct. As of now, under the rules, unless agreement is reached to the contrary, there would be the possibility of four cloture votes on Saturday.

Mr. DOLE. But in the event cloture was obtained on Goals 2000, we would complete action on that before the other vote?

Mr. MITCHELL. Yes.

I have a parliamentary inquiry, Mr. President.

It is my understanding, if cloture is obtained on the Goals 2000 bill, we would have to complete the clotured item before the vote occurred on the other item.

I ask the Chair whether my understanding in that regard is correct?

The PRESIDING OFFICER. The Senator's understanding is correct.

Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, so all Senators can be aware of the situation, there will be a vote at 12:30 a.m., which is in about 6 minutes, on my motion to proceed to the conference report on the education bill, following which I will offer two cloture motions on that; and, immediately following that, there will be a rollcall vote on my motion to proceed to the conference report on the so-called Federal buyout bill, following which I will offer two cloture motions on that.

I have not requested the yeas and nays. I included it in my unanimous-consent request.

So there can be no misunderstanding, I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I now suggest the absence of a quorum.

I thank my colleagues for their cooperation.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### VOTE ON THE MOTION TO PROCEED

The PRESIDING OFFICER. The question is on the motion to proceed to the conference report.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Arizona [Mr. DECONCINI], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], and the Senator from Alabama [Mr. SHELBY], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO], and the Senator from Wyoming [Mr. WALLOP], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 60, nays 31, as follows:

[Rollcall Vote No. 70 leg.]

#### YEAS—60

Akaka	Exon	Levin
Baucus	Feingold	Lieberman
Bingaman	Feinstein	Mathews
Bond	Ford	Mikulski
Boxer	Glenn	Mitchell
Bradley	Gorton	Moseley-Braun
Breaux	Graham	Moynihan
Bryan	Harkin	Murray
Bumpers	Hatfield	Pell
Byrd	Heflin	Pryor
Campbell	Hollings	Reid
Chafee	Inouye	Riegle
Cohen	Jeffords	Robb
Conrad	Kassebaum	Rockefeller
Danforth	Kennedy	Sarbanes
Daschle	Kerrey	Sasser
Dodd	Kerry	Simon
Domenici	Kohl	Specter
Dorgan	Lautenberg	Wellstone
Durenberger	Leahy	Wofford

#### NAYS—31

Bennett	Gregg	Nickles
Brown	Hatch	Packwood
Burns	Helms	Pressler
Coats	Hutchison	Roth
Cochran	Kempthorne	Simpson
Coverdell	Lott	Smith
Craig	Lugar	Stevens
Dole	Mack	Thurmond
Faircloth	McCain	Warner
Gramm	McConnell	
Grassley	Murkowski	

#### NOT VOTING—9

Biden	DeConcini	Nunn
Boren	Johnston	Shelby
D'Amato	Metzenbaum	Wallop

So the motion was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### CLOTURE MOTION

Mr. MITCHELL. Mr. President, pursuant to the prior order, I send a cloture motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The legislative clerk read as follows:

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Conference Report accompanying H.R. 1804, Goals 2000: Educate America.

George Mitchell, Barbara Mikulski, David Pryor, Carl Levin, Edward M. Kennedy, Dennis DeConcini, Jeff Bingaman, Patrick Leahy, Paul Wellstone, Daniel K. Akaka, Wendell Ford, Harris Wofford, Paul Simon, Christopher Dodd, J. Lieberman, John F. Kerry, Dianne Feinstein, John Glenn.

#### CLOTURE MOTION

Mr. MITCHELL. Pursuant to the order, I send a second cloture motion to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report the cloture motion.

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Conference Report accompanying H.R. 1804, Goals 2000: Educate America.

George Mitchell, Barbara Mikulski, David Pryor, Carl Levin, Edward M. Kennedy, Dennis DeConcini, Jeff Bingaman, Patrick Leahy, Paul Wellstone, Daniel K. Akaka, Wendell Ford, Harris Wofford, Paul Simon, Christopher Dodd, J. Lieberman, John F. Kerry, Dianne Feinstein, John Glenn.

#### FEDERAL WORKFORCE RESTRUCTURING ACT OF 1994 MOTION TO PROCEED

Mr. MITCHELL. Mr. President, I move to proceed to the conference report accompanying H.R. 3345, the Federal Workforce Restructuring Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Arizona [Mr. DECONCINI], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], and the Senator from Alabama [Mr. SHELBY], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO], and the Senator Wyoming [Mr. WALLOP], are necessarily absent.

The PRESIDING OFFICER (Mr. KERRY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 29, as follows:

[Rollcall Vote No. 71 Leg.]

#### YEAS—62

Akaka	Exon	Leahy
Baucus	Feingold	Levin
Bingaman	Feinstein	Lieberman
Boxer	Ford	Mathews
Bradley	Glenn	Mikulski
Breaux	Gorton	Mitchell
Bryan	Graham	Moseley-Braun
Bumpers	Harkin	Moynihan
Byrd	Hatfield	Murray
Campbell	Heflin	Pell
Chafee	Hollings	Pryor
Cohen	Inouye	Reid
Conrad	Jeffords	Riegle
Daschle	Kassebaum	Robb
Dodd	Kennedy	Rockefeller
Dole	Kerrey	Sarbanes
Domenici	Kerry	Sasser
Dorgan	Kohl	Simon
Durenberger	Lautenberg	

Specter  
StevensThurmond  
WarnerWellstone  
Wofford

## NAYS—29

Bennett  
Bond  
Brown  
Burns  
Coats  
Cochran  
Coverdell  
Craig  
Danforth  
FairclothGramm  
Grassley  
Hatch  
Helms  
Hutchison  
Kempthorne  
Lott  
Lugar  
MackMcCain  
McConnell  
Murkowski  
Nickles  
Packwood  
Pressler  
Roth  
Simpson  
Smith

## NOT VOTING—9

Biden  
Boren  
D'AmatoDeConcini  
Johnston  
MetzenbaumNunn  
Shelby  
Wallop

So the motion was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

## CLOTURE MOTION

Mr. MITCHELL. Mr. President, I send a cloture motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

## CLOTURE MOTION NO. 1

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Conference Report accompanying H.R. 3345, the Federal Workforce Restructuring Act of 1994.

George Mitchell, Barbara Mikulski, David Pryor, Carl Levin, Edward M. Kennedy, Dennis DeConcini, Jeff Bingaman, Patrick Leahy, Paul Wellstone, Daniel K. Akaka, Wendell Ford, Harris Wofford, Paul Simon, Christopher Dodd, J. Lieberman, John F. Kerry, Dianne Feinstein, John Glenn.

## CLOTURE MOTION

Mr. MITCHELL. Mr. President, I send a second cloture motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

## CLOTURE MOTION NO. 2

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Conference Report accompanying H.R. 3345, the Federal Workforce Restructuring Act of 1994.

George Mitchell, Barbara Mikulski, David Pryor, Carl Levin, Edward M. Kennedy, Dennis DeConcini, Jeff Bingaman, Patrick Leahy, Paul Wellstone, Daniel K. Akaka, Wendell Ford, Harris Wofford, Paul Simon, J. Lieberman, John F. Kerry, Dianne Feinstein, John Glenn.

CONGRESSIONAL BUDGET  
CONCURRENT RESOLUTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate now resume consideration of Senate concurrent resolution 63, the 1995 budget resolution.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 63) setting forth the congressional budget for the United States Government for the fiscal years, 1995, 1996, 1997, 1998, and 1999.

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. Who yields time on the resolution?

Mr. MITCHELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MITCHELL. Am I correct in my understanding that under a prior agreement Senator DOMENICI is now to be recognized to offer his amendment to the budget resolution?

The PRESIDING OFFICER. That is the next order of business.

Mr. DOMENICI. I lost my amendment. I was walking over here from my house, and it fell down somewhere.

Mr. MITCHELL. We will wait until the Senator finds it.

Mr. DOMENICI. Could I inquire what is the majority leader's intention? We have a number of amendments and I understand, after checking the time, that there are about 11 hours, a little over 11 hours total on the resolution at this point.

Could we not lay down the Domenici-Nunn amendment tonight and vote on it in the morning?

Mr. MITCHELL. Mr. President, I thank the colleague for the inquiry.

Under the totality of the circumstances, the Senate having been kept in session for more than 6 hours on the reading of the prior conference report at a time in which we could have been debating the Senator's amendment, I think it appropriate now, in the best interest of all concerned, that we proceed to the further consideration of the budget resolution.

Mr. STEVENS. Mr. President, will the leader yield?

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I do not have any time, but that is probably one of the most important amendments we are going to face on this concurrent resolution. We know of at least four Members who are absent who asked us not to bring that amendment up now. Can we proceed with another amendment? There are other amendments.

Mr. MITCHELL. That is the decision for the managers of the bill to make. Under the prior ruling the Senator was to be recognized to offer his amend-

ment. That was the agreement entered into by all concerned.

I emphasized we were prepared to do that at 6 p.m. last evening and were prevented from doing so by a requirement that we read the conference report. Therefore, that is where we find ourselves in the current situation.

Mr. STEVENS. I thank the leader.

Mr. DOMENICI. Could we discuss it with the chairman and a couple of Senators who have amendments?

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. MOYNIHAN. I ask the Senator from Tennessee if he might yield me 2 minutes.

Mr. SASSER. I yield 2 minutes to my distinguished friend from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. MOYNIHAN. I wish simply to say, Mr. President, as I had occasion to say earlier today, that the Nunn-Domenici amendment involves a fateful decision by this body as to the future of health care reform. It would transfer so much in the way of entitlement money, Medicare and Medicaid, requiring them to be cut by the Committee on Finance. These are amounts that were programmed, if you accept that word, for the President's health care bill, and if this measure is to be adopted, it has the most ominous implications for the future of that legislation.

So I would hope there will be a full and careful debate now for whatever time.

This afternoon, when this matter was raised, there were only two or three Senators on the floor. I would like to use this occasion when most Senators are present to make that point.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Who yields time?

If neither side yields time, time will be charged equally against both sides.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate resume consideration of the budget resolution at 9 a.m. this morning; that there then be 8 hours remaining on the budget resolution; and that Senator DOMENICI be recognized at that time to offer his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, would that be equally divided?



Mr. MITCHELL. Eight hours, equally divided.

Mr. DOMENICI. Could I just consult with one Senator?

Reserving the right to object, and I probably will not object.

The PRESIDING OFFICER. Time will continue to be charged equally to both sides.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The unanimous-consent request is pending. The Senator from New Mexico reserves the right to object. He said he would not do so, but will let us know very shortly.

Mr. DOMENICI. I object.

The PRESIDING OFFICER. Objection is heard to the unanimous-consent request.

Who yields time?

Mr. DOMENICI. I yield whatever time Senator SPECTER desires at this time.

The PRESIDING OFFICER. The order was to recognize the Senator from New Mexico for the purpose of offering an amendment. Does he intend to do so? The Senator need not offer the amendment.

Mr. DOMENICI. Not at this time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania seeks recognition. Who yields time?

Mr. DOMENICI. I yield such time as the Senator desires.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, we have been in session for about an hour without a quorum call and awaiting some decision on action. I have had an amendment, which I have been prepared to offer. I just said to my colleague from New Mexico that I was either going to offer my amendment or absent myself from the Chamber. I am not going to sit around all night while we engage in fussing and fuming.

My point is that if there is no objection, I am going to offer this amendment for its immediate consideration so that we can do something instead of sitting around here.

The PRESIDING OFFICER. The Senator has the right to offer his amendment.

#### AMENDMENT NO. 1565

(Purpose: An amendment by Senator SPECTER to restore full funding of LIHEAP; provide supplemental funding for prisoner literacy training and prisoner job training; and provide supplemental funding for unwanted pregnancy prevention and prenatal care programs by transferring funding from government consulting accounts)

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 1565.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, decrease the amount on line 11 by \$435,000,000.

On page 41, decrease the amount on line 12 by \$326,000,000.

On page 41, decrease the amount on line 18 by \$452,000,000.

On page 41, decrease the amount on line 19 by \$339,000,000.

On page 41, decrease the amount on line 25 by \$465,000,000.

On page 42, decrease the amount on line 1 by \$349,000,000.

On page 42, decrease the amount on line 7 by \$475,000,000.

On page 42, decrease the amount on line 8 by \$357,000,000.

On page 42, decrease the amount on line 14 by \$488,000,000.

On page 42, decrease the amount on line 15 by \$366,000,000.

On page 26, increase the amount on line 8 by \$100,000,000.

On page 26, increase the amount on line 9 by \$50,000,000.

On page 26, increase the amount on line 15 by \$103,000,000.

On page 26, decrease the amount on line 16 by \$52,000,000.

On page 26, increase the amount on line 22 by \$106,000,000.

On page 26, increase the amount on line 23 by \$53,000,000.

On page 27, increase the amount on line 5 by \$109,000,000.

On page 27, increase the amount on line 6 by \$53,000,000.

On page 27, increase the amount on line 12 by \$112,000,000.

On page 27, increase the amount on line 13 by \$56,000,000.

On page 30, increase the amount on line 20 by \$225,000,000.

On page 30, increase the amount on line 21 by \$214,000,000.

On page 31, increase the amount on line 2 by \$232,000,000.

On page 31, increase the amount on line 3 by \$221,000,000.

On page 31, increase the amount on line 9 by \$239,000,000.

On page 31, increase the amount on line 10 by \$228,000,000.

On page 31, increase the amount on line 16 by \$246,000,000.

On page 31, increase the amount on line 17 by \$234,000,000.

On page 31, increase the amount on line 23 by \$253,000,000.

On page 31, increase the amount on line 24 by \$240,000,000.

On page 35, increase the amount on line 8 by \$100,000,000.

On page 35, increase the amount on line 9 by \$62,000,000.

On page 35, increase the amount on line 15 by \$103,000,000.

On page 35, increase the amount on line 16 by \$65,000,000.

On page 35, increase the amount on line 22 by \$106,000,000.

On page 35, increase the amount on line 23 by \$66,000,000.

On page 36, increase the amount on line 5 by \$109,000,000.

On page 36, increase the amount on line 6 by \$68,000,000.

On page 36, increase the amount on line 12 by \$112,000,000.

On page 36, increase the amount on line 13 by \$70,000,000.

Mr. SPECTER. Mr. President, I will explain this amendment.

The amendment transfers \$435 million governmental consulting accounts, where there is now some \$2.1 billion, an account which is largely recognized to have many items that we can do without. It constitutes a 19.5 percent cut in those consulting accounts. It transfers \$225 million to LIHEAP, the Low Income Heat Energy Assistance Program. It transfers \$100 million for prisoner literacy education and prisoner job training.

It transfers \$100 million for prenatal pregnancy prevention.

Taking up the issue of low-income energy assistance first, that is a fund which has been cut consistently over the past several years regardless of which party controls the administration, and it has resulted in tremendous pain and suffering across this country. The cut in LIHEAP funding has given many families of America the stark choice of heating or eating, and it has resulted in many deaths over makeshift heating and lighting systems.

It is hard to get a total fix on the number of deaths, but in a short period of time in Philadelphia, between August 1992 and January 1993, 11 people, mostly children, died as a result of makeshift heating arrangements.

We have in the United States an enormous problem on adequate funding for heating. With last year's allocations of \$1.475 billion, only 24 percent of federally eligible households were covered by LIHEAP assistance. Now the administration has proposed to have a cut of some \$745 million, more than half of the LIHEAP accounts, with an assertion that there would be some discretionary funds applied to try to make up the difference.

This Senator views that as totally inadequate. The Budget Committee had reinstated some \$520 million for the LIHEAP account, which still leaves a shortage of some \$225 million even to have the funds which were available last year.

The families in the low-income bracket spend a significantly larger proportion of their income on heating than do families in higher brackets. For example, the amount spent on the average for heating is 3 to 4 percent of income, the people in the income brackets eligible for LIHEAP funding spend between 11 and 13 percent of their funding.

This issue is one which is especially problematic for my State of Pennsylvania, but it is one that has enormous problems across the country.

Senator HARKIN chairs the Appropriations Subcommittee on Labor, Health, Human Services and Education where this account is located, and I am

the ranking Republican on that subcommittee. It has caused enormous difficulties as we have tried to allocate funds. The amount which is currently in the budget is just extraordinarily low.

Mr. President, I shall be relatively brief in all of these items in view of the lateness of the hours.

The second transfer is \$100 million for prisoner literacy, education and job training, and it is designed to take to come to grips with some realistic rehabilitation. That figure is by no means sufficient to deal with the problem in this country, but it would establish a fund for a demonstration project to see if something meaningful can be done in that line.

This is a legislation which I have proposed virtually every year since 1981, and it is designed to try to stem the growth of the career criminal in this country. It is also designed to try to set a realistic scene for the imposition of life sentences on the so-called three-strikes-and-you-are-out legislation.

We have heard a great deal of rhetoric on three-strikes-and-you-are-out, and it is my view, based on experience as a prosecuting attorney, that judges will not impose mandatory life sentences. Under our current system where they see the cycle of crime with recidivists coming back again and again, where it is no surprise that a functional illiterate without a trade or a skill will go back to a life of crime, in the sentencing situation, as I think the Presiding Officer knows from his experience as an assistant district attorney, the judge simply is not going to impose a life sentence.

But, if there were realistic rehabilitation after juvenile offenses, and after a first offense, and the individuals did not do better with rehabilitation, with literacy training, and job training, and after a second offense came back and committed a crime of violence—armed robbery, for example—then I think it is realistic to have judges impose life sentences.

The Federal armed career criminal bill, which was passed as one of my earlier initiatives in 1984, amended to include drug offenses in 1986, has been acknowledged as a very important tool for law enforcement. If we really came to grips with career criminals in America, we could reduce violent crime very substantially.

The National Commission on Criminal Justice Standards and Goals back in 1972 estimated that violent crime could be reduced by some 50 percent. And if we make a real effort with rehabilitation, literacy training, and job training, and the individuals fail at that, then I do believe we can realistically move to life sentences for career criminals.

The third item, Mr. President, on this amendment which would receive \$100 billion in funding, would be for

prenatal care and pregnancy prevention.

Mr. COHEN. Did the Senator say \$100 billion?

Mr. SPECTER. I said \$100 million. If I said \$100 billion it was a slip of the lip. At this hour I might have said \$100 trillion. I think I said \$100 million, but I do know. Whatever I said, I meant \$100 million.

But I thank the Senator for the interruption, if not the suggestion. It sounds like a hollow tunnel. I thank the Senator.

The program which this \$100 million is designed to address, again, is a demonstration project to see if something can be done on this problem of enormous magnitude.

The leader in the Senate is the distinguished Senator from New York, Senator MOYNIHAN. If I might have Senator MOYNIHAN's attention, I have been very much impressed with the clarion call which our colleague from the State of New York has made on the problem of rising pregnancies and unwanted children. It is a source of enormous problem in America which should have been addressed a long time ago. It is a very complex matter as to how to address it. It results in enormous costs.

In 1991, the most recent statistics available, the Federal Government spent some \$29 billion for AFDC, aid to families with dependent children, Medicaid and WIC payments. As to the families begun by teenaged parents, more than 1 million American teenage girls between the ages of 15 and 19 become pregnant each year, and there are some 50,000 low birth-weight babies born to teenaged girls.

I first saw a 1-pound baby in 1984 when I visited a hospital in Pittsburgh. It was an ominous sign, a child as big as a hand. It is a human tragedy, because those children carry those scars throughout their lives. It is a financial tragedy because the average cost is \$158,000 a child.

I introduced legislation on this subject back in 1985, and with the cooperation of both the Bush administration and the Clinton administrations, we have had a healthy start program which has done some good on prenatal care. It is a very important factor in planning health care reform because there are billions of potential savings there.

But this program of teenaged pregnancy is one which is long overdue in being addressed.

My colleague from Iowa, Senator HARKIN, who chaired the Subcommittee on Labor, Health, Human Services and Education, and I have sat down with the Secretary of Health and Human Services, Secretary Shalala, and the Secretary of Education, Secretary Reilly, to try to find some answers here.

Secretary Shalala made the observation that her study showed that most

teenaged pregnancies occur between 3 p.m. and 7 p.m. And as Senator HARKIN and I tackled the problems in this subcommittee, with the great shortage of funds—this \$100 million transfer is from consultants, and we have yet to really find out what consultants do. This \$100 million would be a tremendous aid in enabling us to structure some programs to tackle this very, very important problem.

So, in summary, Mr. President, this amendment takes a look at an account on consulting fees, \$2.1 billion, which is bloated and overspent, and it seeks a 19.5 percent reduction, and then seeks to tackle three very, very important problems.

The issue of assistance of low-income heat and energy is one of the most important ones that has been cut by the administration in a draconian way, and this would at least restore funding to last year's level.

The demonstration projects were \$100 million. That on prisoner literacy training and prisoner education would enable us to try to deal with a major problem, and at least set the stage so that inmates who do not take advantage of realistic rehabilitation or do not succeed at it, then we would be able to impose life sentences on career criminals and make America's streets safer.

The \$100 million for prenatal care and pregnancy prevention would give us at least some start on this problem of enormous magnitude.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). Who yields time?

The Senator from Tennessee.

Mr. DOMENICI. I yield 5 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from New Mexico yields 5 minutes to the Senator in Maine.

Mr. COHEN. I thank the Senator for yielding.

Mr. President, I will be very brief.

First, I want to commend my colleague from Pennsylvania for offering this amendment. It focuses particularly on the amendment dealing with LIHEAP, the low-income heating energy assistance program. This is a program which is vital to States like Maine.

Over the years, as the Senator from Pennsylvania has pointed out this program has been cut and cut again, and we find our citizens faced with heating bills they cannot pay. Just a couple years ago there was one incident when it was so cold in Maine, there was no fuel available, and they could not pay for the heating fuel. They were, in some cases, breaking up their furniture and using that for firewood in order to heat their homes to keep from freezing.

This is a very important program for the State of Maine.

I might point out it seems to me we are perhaps not allocating the funds in



the correct fashion. We need to be allocating more resources for weatherization programs as opposed to just providing the assistance to purchase the heat and fuel in order to keep warm during winter months or keep cool during the summer months in the more southern climates.

But I think the Senator has done an outstanding job of making his presentation. I intend to support him, and I am going to ask, if the Senator is not going to do it, for the yeas and nays on his amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

The Senator from Tennessee.

Mr. SASSER. Mr. President, will the proponent of the amendment yield me time to speak in favor of his amendment?

Mr. SPECTER. I do not control the time.

The PRESIDING OFFICER. The Senator from Pennsylvania, as a proponent of the amendment, does control 44 minutes 52 seconds.

Mr. SPECTER. How much time does the Senator from Tennessee wish?

Mr. SASSER. Five minutes or less.

Mr. SPECTER. I am glad to yield to the Senator.

The PRESIDING OFFICER. The Senator from Pennsylvania yields 5 minutes to the Senator from Tennessee.

Mr. SASSER. Mr. President, we restored in the Budget Committee 70 percent of the President's cut of the so-called low-income home energy assistance, and we also tried to increase funding for prenatal care.

The thrust of this amendment offered by the Senator from Pennsylvania is in agreement with the priorities that we are pursuing in the Budget Committee.

So I would just say, Mr. President, in the absence of any request for a rollcall vote on this particular amendment, that we would be pleased to accept the Senator's amendment.

Mr. SPECTER. Mr. President, the yeas and nays have been requested and ordered. I think we ought to stick with that and have the yeas and nays.

The PRESIDING OFFICER. Who yields time?

Mr. WOFFORD addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from Pennsylvania?

Mr. SPECTER. Mr. President, my colleague from Pennsylvania has made a request of me for 2 minutes, and I do yield that time to him.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SPECTER] yields 2 minutes to the Senator from Pennsylvania [Mr. WOFFORD].

Mr. WOFFORD. Mr. President, I commend the senior Senator from Pennsylvania for putting this amendment

forward. I look forward to our accepting that amendment. The yeas and nays have been asked for and ordered. I look forward to an affirmative vote for it.

We have had hearings. Senator DODD has brought forth witnesses that have made very clear that, on the LIHEAP matter, this is a matter of great urgency. People have died in our State. Full funds should be restored. This amendment will make that possible.

The other elements of the amendment, I think, are good steps for us to take at this time in sending forth a signal that we are getting our priorities right.

I think we can cut down on consulting and we can bring up to full funding our support for LIHEAP and the other parts of this amendment, so I urge an affirmative vote.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Will the Senator yield me 2 minutes?

Mr. SPECTER. I yield 5 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Pennsylvania yields 5 minutes to the Senator from Iowa.

Mr. HARKIN. I thank the Senator for yielding me that time. I will not take that much time.

I just want to compliment my good friend from Pennsylvania for offering this amendment. I do compliment the distinguished chairman of the Budget Committee for all that they did to replace the money on LIHEAP. They did a great job in doing that. I am most appreciative of their doing that and the funding they put in for paternal and child health care and all those programs.

But, nonetheless, they were operating under some constraints and could not quite get all of the money in that I think was required.

So I just want to say that everything that Senator SPECTER said is absolutely right. He is absolutely right in everything he said about the problems we had in the subcommittee in meeting those targets. He crafted a good amendment. It is needed, and I support it wholeheartedly. I hope it passes overwhelmingly.

I thank the Senator for his help on our subcommittee in meeting the human needs of our citizens in the country. He is a valued member of that subcommittee, and I enjoy working with him.

Again, I compliment him on offering this amendment.

The PRESIDING OFFICER. Who yields time? Who yields time?

SEVERAL SENATORS. Vote.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, if there are no speakers in opposition, I am prepared to yield back my time so we can proceed to a vote.

The PRESIDING OFFICER. If all time is yielded back, we would be in a position to vote.

Does the Senator from Pennsylvania yield back his time?

Mr. SPECTER. I do.

The PRESIDING OFFICER. The Senator from Pennsylvania yields back his time.

The Senator from New Mexico controls 59 minutes 35 seconds.

Mr. SPECTER. Mr. President, I am prepared to yield back my time if we are at a procedural vote stage. If there are going to be counter-arguments, then I would want to reserve some time to reply.

The PRESIDING OFFICER. The Senator from New Mexico controls 59 minutes 35 seconds. The Senator from Pennsylvania controls 45 minutes 41 seconds.

Mr. DOMENICI. If I yield back my time and we vote, will we have an inordinate delay because Senators are not here, or how would that work?

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, it has been my practice to accommodate Senators on both sides of the aisle who are not in the Capitol to give some notice of the vote so that they would be able to return.

In view of the hour, I am prepared to do that or not, as Senators wish. A large number of Senators, of course, have remained.

I inquire of my colleagues on the Republican side whether they wish to, in accordance with the usual practice, give notice of 10 minutes or so before the vote begins, to give people the opportunity to get back who wish to get back to do so?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I would be prepared to give time of about 7 hours to come back in. It is now 2:22. My suggestion would be that we stack this vote for later this morning. It is my amendment, and I will be prepared to do that.

If we are going to give time, what time would the majority leader suggest; 2:45, 3 o'clock?

Mr. MITCHELL. Mr. President, I was going to suggest a 10-minute notice for people, to give those who wish to come back the opportunity to do so.

Mr. SPECTER. I would not object to that, if that is the wish of the majority leader. My preference would be to stack the vote for later in the morning.

Mr. MITCHELL. I inquire of my colleagues, then, if there is any objection to setting the vote for 10 minutes from now to give Senators not present an opportunity to be present?

The PRESIDING OFFICER. The Chair would advise that the Senator from Pennsylvania controls 39 minutes

and 50 seconds and the Senator from New Mexico controls 59 minutes and 5 seconds.

Mr. SPECTER. I am prepared to yield back my time if the Senator from New Mexico does so, and we can follow the schedule propounded by the majority leader.

Mr. DOLE. Mr. President, after time is yielded back, the amendment would be subject to a second-degree amendment, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. I yield back my time.

The PRESIDING OFFICER. The Senator from New Mexico yields back his time.

Mr. SPECTER. I yield back my time.

The PRESIDING OFFICER. The Senator from Pennsylvania yields time.

The PRESIDING OFFICER. The question is on amendment No. 1565. The yeas and nays have been ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

#### AMENDMENT NO. 1566

Mr. DOLE. Mr. President, I send a second-degree amendment to the desk and ask it be read.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 1566.

The legislative clerk proceeded to read the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. SASSER). Is there objection?

Without objection, it is so ordered.

Who yields time on the amendment?

No time has been yielded. The time will run equally on both sides on the second-degree amendment that is offered by the minority leader.

Mr. DOLE. Mr. President, I withdraw the amendment, and I ask unanimous consent that the second-degree amendment not be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that we vitiate the yeas and nays on the Specter amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the Specter amendment, all time having been yielded back.

The amendment (No. 1565) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### DODD-JEFFORDS AMENDMENT NO. 1561

Mr. DURENBERGER. Mr. President, I rise in reluctant opposition to the

Jeffords-Dodd amendment to transfer \$30.5 billion to special education programs over 5 years—\$6 billion in fiscal 1995 alone. I have a long history of support for many education programs. As the ranking member of the Labor Committee's Disability Subcommittee, I am committed to improving educational opportunities for all Americans, particularly those individuals requiring special education. I am sensitive to the criticism by State and local governments that the Federal Government has not lived up to its commitment to contribute 40 percent of the national average per pupil cost for special education services to children with disabilities. The current 8 percent contribution is woefully inadequate. The 20 percent level achieved by this amendment still hardly addresses the need.

However, Mr. President, this country is in the midst of a budget crisis. We simply do not have the luxury to fund all of our worthy programs at their authorized levels. I wish we did. But right now we have a \$4.7 trillion debt, and we are loading \$173 billion more onto that debt in fiscal 1995. Our priorities must be to reduce the deficit before we can think about expanding current programs.

The amendment pays for this spending increase by a corresponding decrease in funding for the Milstar program as well as certain intelligence funding. These cuts have been opposed by the chairman of the Armed Services Committee. Even though the Appropriations Committee would have the option of cutting another defense program, or any other program, \$30 billion is a sizable hit on our discretionary spending areas, particularly to fund an increase that was not recommended by the President or the Budget Committee. I am not sure we are ready to make this kind of sensitive choice today. If we do choose to cut spending, as we have under the Exon-Grassley amendment, the critical need is to dedicate these cuts to deficit reduction.

The sponsors of the amendment also indicate that the amendment would be partially paid for by restoring half of the Exon-Grassley cuts made in the Budget Committee. Mr. President, I don't see how restoring some of these cuts creates a new pool of money that can be spent for worthy programs. It would avoid certain spending cuts that will be made by the Appropriations Committee, but it should not be considered a new pool of money that can be used for programs that were not addressed in the President's budget. I strongly support the Exon-Grassley cuts as an important effort to reduce the deficit and will oppose any efforts to eliminate these cuts.

The intent of this amendment is commendable, but the result could be that we will cut other programs that

should not be cut, possibly other education programs. The Appropriations Committee and its Labor, HHS and Education Subcommittee will have the responsibility to decide whether this or other programs will be increased or cut. Even if we pass this amendment, we cannot guarantee that this specific increase would be made by Appropriations. If this is a critical spending need, we should appeal to the Appropriations Committee rather than to pass this amendment.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate return to consideration of the budget resolution at 9:30 a.m. today and that there then be 8½ hours remaining on the resolution for debate, divided as follows: 4¼ hours under Senator DOMENICI's control; 3¾ hours under Senator SASSER's control, with the last 15 minutes for debate under Senator SASSER's control.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Reserving the right to object, Mr. President, I simply say that, so I understand it properly, at 9:30 are we going to take up the Domenici amendment that is the pending business and has been since before all of the reading started?

Mr. MITCHELL. Mr. President, that is my understanding and intention that Senator DOMENICI will be present at 9:30 to offer his amendment.

Mr. EXON. How much time has been allotted to each side, and who will control the time on each side? Obviously, Senator DOMENICI would control the time in support of his amendment. How much time is set aside for that, and how much time is set aside for those of us who will be opposing the Domenici amendment.

The PRESIDING OFFICER. Under the Budget Act, it is 2 hours, equally divided.

Mr. EXON. On the Domenici amendment?

The PRESIDING OFFICER. On each first-degree amendment.

Mr. EXON. Two hours equally divided on any amendment, including the Domenici amendment?

The PRESIDING OFFICER. On any first-degree amendment.

Mr. EXON. I do not object.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Reserving the right to object. I hope we do not use the 2 hours. We hope we can do a lot of these in about 10 minutes on a side.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request as expressed by the majority leader?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, it is my hope and intention that we will be



able to complete action on this bill tomorrow. There are 8½ hours remaining for debate. If all of that time is used—and I expect that it will be—debate would be concluded by approximately 5 p.m. There will be several votes, I am advised, because a number of amendments remain to be offered, and that time does not count against the resolution. So assuming there are as many as 3 or 4 hours of votes, we should be able to complete action by sometime during the evening tomorrow. That is not included in the unanimous-consent agreement that has just been obtained. But there is going to be, I understand, a good-faith effort on both sides to complete action on the bill before the close of business today, Thursday.

#### ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, that will complete our action for this morning. There will be no further rollcall votes until this morning after 9:30 a.m., most likely around 11:30.

#### MORNING BUSINESS

#### DEATH OF HAM WILSON

Mr. HEFLIN. Mr. President, on January 26, 1993, I paid tribute to E. Hamilton "Ham" Wilson, who at that time had just retired from his long-time position as government affairs director at Alabama's Auburn University. Prior to that, he had been chief executive officer of the Alabama Cattlemen's Association.

Ham's many friends at Auburn and throughout the agricultural community in Alabama were deeply saddened on March 11, when Ham passed away. He served as Auburn's chief lobbyist beginning in 1985, when former president James E. Martin established the position to ensure a permanent presence for Auburn at the Alabama State House. The job was tailor-made for Ham, who had already earned a distinguished reputation statewide through his work with the cattlemen's association.

I extend my deepest condolences to Louise L. Wilson, Ham's wife of 46 years, and to their entire family in the wake of their painful loss. I ask unanimous consent that an article appearing in the March 12 edition of the *Montgomery Advertiser* summarizing Ham's life and work be printed in the *RECORD* at this point.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

[From the *Montgomery Advertiser*, Mar. 12, 1994]

#### RODEO KING WILSON DIES (By Mary Orndorff)

Auburn University and the entire agricultural industry in Alabama lost one of their own Friday. Edward Hamilton "Ham" Wilson died at the age of 72.

"He was the spirit of Auburn, the spirit of beef farming in Alabama, the spirit of the Cattlemen's Association and the spirit of the rodeo," said longtime friend and legislative dean, state Rep. Pete Turaham, D-Auburn.

Mr. Wilson didn't just sport a white cowboy hat to shade his perpetually grinning eyes—he earned the "good guy" image that goes with it. Since 1958, the Greenville native wore a white hat to his historic creation, the Southeastern Livestock Exposition Rodeo. And for 36 years, thousands showed appreciation for his work by flocking to Garrett Coliseum for the annual event, which returns later this month.

Mr. Wilson was king of the rodeo from the day of its birth to the day of his death. He was at the rodeo's ticket office Wednesday, the day of the heart attack that eventually took his life.

As executive vice president of the Alabama Cattlemen's Association, the livestock ring leader nurtured the industry, the rodeo and the association for more than 40 years.

"His work, his work was his greatest passion. He gave his life to his work to the Alabama Cattlemen's Association, to Auburn University and to the rodeo," said his wife of 46 years, Louise L. Wilson.

Their children, Edward Hamilton Wilson Jr. and Nancy Wilson Blount, live in Montgomery with five grandchildren, Bradley, Hallie and Nancy Beth Wilson, and Jess and Wilson Blount. A sister, Elizabeth W. Kitching lives in Greenville.

Bill Blount, chairman of the Alabama Democratic Party, described his father-in-law Friday as vibrant.

"I remember lively discussions around the Sunday dinner table," Mr. Blount said. "He cared passionately about current events, about his state, his city and his country."

Even in the sticky arena of politics, friends and rivals recalled Ham Wilson's honesty and integrity. Protecting the cattle industry in legislative battles was a job requirement, and he was Auburn University's first full-time lobbyist from 1985 to 1992.

"Ham was successful because he was the kind of fellow who is a friend to everyone," said House Speaker Jimmy Clark, D-Eufaula.

It's been said the cattlemen's group rarely sought legislation, but what it had on the books was nearly sacred.

"I was kind of lucky," Mr. Wilson said in a December 1992 interview before his retirement from the Auburn post. "I not only knew the lawmakers, I knew their mammas and daddies."

Mr. Wilson and Rep. Turnham were college buddies at the Loveliest Village on the Plains, where Mr. Wilson graduated in 1943 with a degree in agricultural science. "I've never seen a more caring and unselfish person in my whole life," Rep. Turnham said.

The list of civic and community groups that count the World War II veteran in the memberships is lengthy: Montgomery Area Chamber of Commerce, Montgomery Rotary Club, Men of Montgomery, Montgomery Country Club, Capital City Club, First United Methodist Church, Alabama 4-H Club Foundation, Alabama Sheriff's Boys and Girls Ranches, and he was a charter member of the Alabama Livestock Hall of Fame.

Honors and awards poured in, but even more poured out. Mr. Wilson created things. He opened the Cattlemen's Association headquarters in downtown Montgomery, now undergoing a \$1.5 million renovation and expansion; started the Alabama Cattlemen magazine in 1958, one of the nation's largest and most widely recognized livestock publica-

tions; and the country's first comprehensive beef promotion program started under his leadership. In 1979, the Ham Wilson Livestock Arena was dedicated at Auburn.

In 1985, Mr. Wilson told a reporter the accomplishment of which he is most proud as Cattlemen's Association chief was the expansion of cattle production from a sectional Black Belt occupation to a statewide industry. It is now a \$1.5 billion staple in Alabama's economy.

By his retirement, the state association had blossomed into the country's largest, with more than 16,700 members.

"Ham was truly a unique individual and did much for the state's youth and the livestock industry that he cared so much about," said Billy Powell, now executive director of the cattlemen's group.

Bubba Trotman, a former president of the association's state and national organizations, said Friday that he owed his cattleman career to Mr. Wilson. "This is a great loss to all the people of the state."

James E. Martin, Auburn's former president who hired Mr. Wilson in 1985, said in 1992, "Ham Wilson just doesn't meet a stranger."

In lieu of flowers, the Wilson family asks donations be made to the Alabama Cattlemen's Association Foundation, the Auburn University School of Agriculture and the American Heart Association. Services are Sunday at 3 p.m. at First United Methodist Church in Montgomery.

#### TRIBUTE TO LEVI WATKINS, SR.

Mr. HEFLIN. Mr. President, higher education in the State of Alabama lost one of its greatest supporters on March 3 when former Alabama State University president Levi Watkins, Sr., died at the age of 83. He served at the helm of Alabama State from 1962 until 1981, a time of both unparalleled turbulence in education as well as dramatic progress. As difficult as these times were for our State and region, he did not see his mission as a burdensome one. In a statement made some 11 years before his death, Watkins said that he had been privileged to be right in the middle of, as he called it, the greatest turmoil in this century.

The school was known as Alabama State College when Levi Watkins, a Kentucky native, became its president in 1962, the same year that George Wallace was first elected governor. By the time he left 19 years later, Alabama State had become a fully accredited university with 12 new buildings and a dramatically increased student enrollment. During his tenure, he placed a great emphasis on financial accountability, saying at the time of his appointment that he respected the taxpayer's right to get at least a dollar's value on each dollar invested in Alabama State College.

Watkins' commitment to total accountability went beyond finances, however. He fought hard for Alabama State and never failed to accept responsibility when things went wrong. He never passed the buck, and his shoulders supported the weight of both credit and blame. He was a consummate advocate for his school.

Levi Watkins was the kind of administrator who any school would be proud to call its own. He made the tough decisions, even when they were unpopular, and did what he had to do to ensure that students, faculty, and university officials were treated fairly. Although he fully supported the civil rights movement, Levi never lost sight of his or Alabama State's primary mission of educating young blacks.

During the turbulent days of the movement, Alabama State emerged as a refuge for the demonstrators. Later, as was the case on campuses all across the Nation, more militant students turned against the administration, forcing Levi to close the school for 2 weeks in 1969. But the National Guard never intervened. His was a delicate balancing act, for he was committed to the progress being sought by the civil rights movement, but at the same time, he understood the importance of obtaining the State funding crucial to his university's mission.

Levi had the charisma and finesses to secure vital resources for a black college in a State like Alabama. He was even able to work with then-Governor Wallace in getting the required funding for Alabama State to be accredited by the Southern Association of Colleges and Schools in 1966.

I extend my condolences to Levi's wife, Lillian Varnado Watkins and their six children, who include a teacher, principal, two surgeons, a lawyer, and a research specialist with an earned doctorate. Their father's dedication to higher education obviously was not lost on his children. They are all living testaments to his rich legacy.

#### TRIBUTE TO ALABAMA LABOR LEADER BOBBY L. BOWDEN

Mr. HEFLIN. Mr. President, I want to pay tribute today to one of Alabama's most distinguished labor leaders, Bobby L. Bowden. He has been a close personal friend of mine for many years, as well as one of the best friends working men and women in Alabama have ever had. He retired earlier this year after serving as an active member of the Machinists Union for 39 years.

A native of Enterprise, AL, Bobby attended Troy State University for a short time before enlisting in the Marine Corps. After his tour of duty in the Marines, he was hired in 1955 by an aircraft maintenance contractor at Fort Rucker. Except for the time he was on leave of absence and serving as a business representative with the International Association of Machinists and Aerospace Workers district lodge 75, he remained in aircraft maintenance at Fort Rucker until his retirement.

For 6 years beginning in 1967, Bobby was elected to serve on the negotiating/grievance committee of local lodge 2003. In 1973, he was elected business representative of lodge 75 and served in

that position until 1978. He then returned to his previous job as an aircraft mechanic troubleshooter from 1979 through 1983. That year, he was re-elected business representative and served in that capacity until his retirement.

Bobby was raised in a political family, and has always been active in politics himself. His father, Ed Mack "Buster" Bowden, was a Coffee County Commissioner. Bobby has been actively involved in the machinists union non-partisan political league, serving on its planning committee for a number of years. He was the first machinists union business representative to donate \$1,000 to the non-partisan political league. Bobby worked diligently to try and accomplish what he truly believed in, politically.

The 39 years Bobby Bowden gave the machinists union yielded many, many benefits for his labor union as well as for all working people in southeast Alabama. Every union member owes him a debt of gratitude for the progressive and positive efforts he made on their behalf. He performed many good deeds over the years, giving of his time, talents, and resources freely and unselfishly. His ability, dedication, and energy will be sorely missed.

I extend my very best to Bobby for a happy, healthy retirement and bright, active future.

#### IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt stood at \$4,557,219,560,535.33 as of the close of business on Wednesday, March 16. Averaged out, every man, woman, and child in America owes a part of this massive debt, and that per capita share is \$17,479.97.

#### A MORE RESPONSIBLE APPROACH TO NATIONAL PARK CONCESSIONS

Mr. DORGAN. Mr. President, many in Congress have known for years that the National Park Service must take a more business-like approach to the way the service contracts for private concessions to serve visitors to our national parks. Many in Congress have tried to forge improvements in that area, and, finally, we have before us a bill painstakingly molded in our Energy and Natural Resources Committee to make those improvements.

I serve on that committee, and I am a cosponsor. I wish to recognize Senators BUMPERS and BENNETT, as well as the chairman and ranking minority member of the committee, for their intense and sincere efforts to craft policies in this bill that are fair, on the one hand, to the landlord—that is, American taxpayers—and, on the other hand, to the concessionaires. I believe a balance has been accomplished in that respect, and I will support this bill.

I wanted also to note, while serving in the House of Representatives in 1991 and 1992 I headed a Task Force on Government Waste. Our task force found that the National Park Service's lease agreements and related fees were terribly inadequate in many cases, and we called for reasonable franchise fees to be collected.

This bill will require a more competitive arena for those seeking to operate businesses within the National Parks, creating a system much closer to what occurs in the private sector. The increased fees will result from that competition instead of arbitrary levels set in Washington. Out of more than \$650 million gross income of national parks concessionaires, the bill would increase rent to about \$65 million, compared to the \$17 million collected last year. This rental income will be used where it should be—to maintain and improve the parks.

I am pleased to see a recommendation of the Task Force on Government Waste up before this body for approval.

At the same time that this bill would require more competitive rents from large concessionaires than are now collected, it is sensitive to the financial limitations of small family businesses and outfitters. The bill retains a preference for such businesses to renew their contracts with NPS if they are operating in an adequate fashion and serving the public well.

In brief, I believe this bill directs the Park Service toward fair and proper treatment of the parks concessionaires and outfitters.

#### THE CLOSING OF PLATTSBURGH AIR FORCE BASE

Mr. MOYNIHAN. Mr. President, it is now 8 months since the Base Closure and Realignment Commission overruled the recommendations of the Air Force, the Secretary of Defense, and its own staff and elected to close Plattsburgh Air Force Base and expand McGuire Air Force Base, rather than the opposite. The Air Force had proposed to establish its East Coast Air Mobility Base at Plattsburgh, taking advantage of its outstanding runway and parking ramp, its extensive new refueling system, the excellent base infrastructure, and the lack of airspace congestion.

The members of the Commission concluded that Secretary Aspin had deviated substantially from two closure criteria when he placed a higher military value on Plattsburgh than McGuire. The Commission's staff conducted their own exhaustive analysis and reached the same conclusion as Secretary Aspin, that Plattsburgh had greater military value. Tragically, the Commissioners reached a different conclusion; move the new air mobility base to McGuire and close Plattsburgh. They did not close any other large air-



craft base that the Air Force wanted to keep open.

The result is that the Air Force is spending \$43 million this year, \$78 million next year, and more in 1996 to bring a base it did not want up to the standards of an air mobility base. Plattsburgh is facing a massive disruption in the fabric of its community as its largest employer prepares to leave town. The only conclusion I can draw from this decision is that the Commission, which we established to remove politics from the base closure process, brought politics back in. The BRAC process may be an improvement over previous efforts to close bases, but it is imperfect and subject to the same biases as before. My colleagues should take note, as we are just a year from the next round. Take nothing for granted.

There is one recourse for Plattsburgh, and that is the Federal courts. Governor Cuomo, Mayor Rabideau of Plattsburgh, Town Supervisor Art Lefavre, and others have filed a complaint against the Commission for exceeding its authority in finding substantial deviation by the Secretary of Defense. I will file an amicus brief with the court in this matter, and I trust that Plattsburgh will finally get a fair hearing. If going to court undermines the base closure process, so be it.

#### INSPECTION OF NORTH KOREA'S NUCLEAR SITES

Mr. PRESSLER. Mr. President, the Clinton administration decided, last Saturday, to ask the United Nations to lay groundwork for economic sanctions against North Korea. This move came in the wake of the collapse of diplomatic efforts to persuade Pyongyang to end its nuclear program. I support this move on the part of the administration. However, the question remains: why has the world's greatest superpower allowed itself to be manipulated and misled by the North Korean government?

Although the carrot and stick approach has long been an effective tool of diplomacy, the carrot and stick approach recently employed by the Clinton administration clearly is detrimental to world security arrangements. The United States should never have canceled the joint United States-South Korean military exercises known as "Team Spirit" before North Korea exhibited a good faith effort to allow International Atomic Energy Agency [IAEA] inspectors access to their nuclear sites.

Time and time again, I have enumerated the many dangers inherent in allowing the proliferation of nuclear weapons to rogue nations such as North Korea. For 40 years, it has been the policy of the United States to ensure the democratic countries of North Asia do not develop nuclear weapons.

Allowing the development of a nuclear bomb in North Korea, seriously jeopardizes the credibility of that policy.

I met with the IAEA Director, Hans Blix, in December 1993. He expressed the unequivocal need to inspect North Korean nuclear sites "anytime, and anywhere." If we allow North Korea the right to abide by different standards than other signatories of the Nuclear Non-Proliferation Treaty [NPT], we tacitly encourage other outlaw nations such as Iran to follow suit. If North Korea gets away with anything less than meeting its full obligations under the NPT, other problem nations surely will follow suit.

By agreeing to a one-time inspection of seven declared nuclear sites and canceling scheduled joint military exercises, the administration set the United States and the IAEA up for failure. The United States must take a stand against the government of Pyongyang. The IAEA must be allowed to inspect "anytime anywhere." The United States must do everything it can to ensure the success of this time honored policy. To do any less will demonstrate to the World that the United States is less than serious about stopping the proliferation of weapons of mass destruction.

#### LT. MARK DION, PORTLAND POLICE DEPARTMENT

Mr. MITCHELL. Mr. President, I rise today to bring to the attention of my colleagues and to give recognition to an outstanding police officer in my home State of Maine.

The national debate on crime and punishment too often focuses on the failures of law enforcement—those who successfully commit crimes and what the society should do about them.

We do not spend enough time focused on the people who actually do the most for law enforcement: The people whose work helps prevent crimes, who take a proactive approach to the work of law enforcement and look for ways to resolve problems before they cause a breach of the law.

The City of Portland in Maine is fortunate to have the services of one such man in its Police Department. Lt. Mark Dion of the Portland Police Department has received numerous awards for his work with the people of Portland, including being named an Officer of the Year by Parade magazine.

Although Portland is a small city by national standards, Portland residents are facing an increased flow of immigrants into the community, a factor that can sometimes result in tensions and even violence.

At present, Portland is home to at least 18 different ethnic and racial communities, as well as a vibrant gay community. It is not only our large cities which face the difficulties in education, community services and com-

munity peace that result from growing diversity.

Lt. Mark Dion takes a community-oriented approach to eliminating the tensions that can too often lead to hate crimes. Lt. Dion's work has been focused on helping pave the way for each of the groups that make up the Portland community to find their place in our city and to take part in the life of the community.

He views the police department as a service agency with a variety of goals, one of which is to work with the community to prevent crime.

Police Departments traditionally react to violations of the law after the fact, but that means neighborhood peace has been disrupted, people have concrete reasons for being fearful and victims of crime have suffered actual harm. Preventing the disintegration of communities is at least as important as reacting to disintegration after the fact.

Lt. Dion has created cultural awareness programs for refugees arriving in Portland and for the police officers who will deal with these communities.

He has overseen the creation of a Citizen Task Force on Bias Crime to firmly establish a partnership between the community and the police.

Lt. Dion's outstanding leadership has helped create a more tolerant and peaceful climate in Portland at a time when all sectors of the community are being asked to recognize and adjust to increased diversity. Most important, by working to preserve the sense of community Lt. Dion has also helped preserve one of the essential elements of the quality of life in Maine's smaller cities.

Lt. Dion's philosophies and program have become models for other cities in Maine and New England.

As Congress considers anti-crime legislation which will put 100,000 new police officers on the streets, it is important to recognize that community-policing efforts have been tried and have proven tremendously successful. Lt. Mark Dion and the Portland Police Department are an example. I commend Lt. Dion for his efforts and his leadership.

#### MOUNT ST. CHARLES ACADEMY WINS AGAIN

Mr. PELL. Mr. President, I rise today to bring to the attention of my colleagues the achievements of the Mount St. Charles Academy ice hockey team, in Woonsocket, RI, who on March 19, won their 17th consecutive State championship.

I understand that no other team in the Nation has ever won 17 consecutive championships in interscholastic ice hockey.

As of just a few days ago the Mount St. Charles Mounties shared the record of 16 consecutive State championships

with Notre Dame High School in Berlin, NH. That school, which no longer exists, had a winning streak that lasted from 1947 until 1962.

Although winning is something that Rhode Islanders have come to expect from the Mount St. Charles hockey program, it should not be taken for granted. It takes long hours of practice, a drive to succeed, talented athletes, and most of all skilled and dedicated coaching.

The head coach of the Mounties, Bill Belisle, and his son, Dave, the assistant coach, embody that kind of dedication and skill.

I congratulate the Mounties' players and coaches for their victories. I salute their achievements, and wish them continued success.

I ask unanimous consent that an article from the Sunday, March 20, 1994, edition of the Woonsocket Call, entitled "Mount Skaters Win Record 17th Straight Title", be inserted in the RECORD as if read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOUNT SKATERS WIN RECORD 17TH STRAIGHT TITLE

(By Scott Cole)

PROVIDENCE.—Mount St. Charles Academy stands alone atop the summit of high school hockey achievement.

The Mounties established a national record last night at Meehan Auditorium by winning their 17th consecutive state hockey title with an 8-4 victory over Bishop Hendricken High of Warwick. No other team in the history of American high school hockey has ever won that many state titles in a row.

Mount had shared the national record for the past year with now-defunct Notre Dame High of Berlin, N.H. Notre Dame High won 16 consecutive titles from 1947 to 1962.

"It's special," said Mount's 19-year head coach Bill Belisle, architect of the Logee Street dynasty. "When we won four or five or six in a row, you'd never think about something like this. But when we won 13 or 14 in a row, I started thinking about it. I'd be a hypocrite if I said I didn't."

MSC already owned the national record for total state hockey titles. In now has 29—and counting.

Mount St. Charles began its streak of consecutive titles in 1978 and has been celebrating championships every March ever since.

"This is something for everybody to share, all the kids on all the teams going back to 1978," said Belisle. "What a team that was (in '78). We scored 304 goals and only gave up 51."

Mount sophomore forward Brian Glaude was one-year-old when the title streak began. Sixteen years later, he etched his name into Mount's rich hockey tradition with a pair of goals in last night's rout. "I just can't explain what this means," said a beaming Glaude. "It's following a tradition."

The Mounties have poured it on in recent years. They have won their last three state titles with two-game sweeps in the championship series and are unbeaten in their last 64 games against Rhode Island competition.

The last Rhode Island school to beat Mount was La Salle Academy, which edged the Mounties in game one of the 1991 state title series. Mount went on to win that series

in three thrilling games, the last time it has been challenged in a state championship series.

#### FIBERGLASS AND THE NATIONAL TOXICOLOGY PROGRAM

Mr. DOLE. Mr. President, I wanted to make my colleagues aware of a situation that has developed at the Department of Health and Human Services that may have an enormous impact on over 1,300 employees in my State of Kansas at three fiberglass insulation production facilities in McPherson and Kansas City, KS.

Under the National Toxicology Program, the Department will soon issue the seventh annual report on carcinogens. The recommendation of the interagency working group of the NTP was to include glass wool, respirable size, on the list of substances reasonably anticipated to be a carcinogen.

However, Mr. President, the working group also voted to recommend that a review was needed of the criteria by which ARC decisions are made generally, and in particular, to review whether the existing criteria are appropriate for assessing fiber carcinogenicity.

Basically, Mr. President, the question is this: Why should this substance be officially listed as a possible cancer hazard under the old criteria when a recommended criteria review has yet to be completed? It is my understanding there is a considerable body of evidence recently completed in Canada that supports the industry contention that inclusion on the list is not warranted.

Mr. President, I would ask unanimous consent that a letter I have sent to Secretary Shalala and supporting materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, March 23, 1994.

HON. DONNA E. SHALALA,  
Secretary of Health and Human Services,  
Washington, DC.

DEAR SECRETARY SHALALA: I am writing to you regarding a recent request by my constituents Owens-Corning Fiberglass, Schuller International and Certain Teed Corporation.

The information which I have received relates to the National Toxicology Program (NTP) administered by the Department of Health and Human Services. These constituents are asking that the review of their product under the NTP be delayed in light of the recent decision by the Interagency Working Group that the criteria used for evaluation of substances should be reviewed.

I am pleased to forward this information to you for your review prior to your final decision.

Sincerely,

BOB DOLE,  
U.S. Senate.

NAIMA,

September 30, 1993.

DONALD AINSLIE HENDERSON, M.D., M.P.H.,  
Deputy Assistant Secretary for Health-Science,  
Department of Health and Human Services,  
Washington, DC.

Re: Proposed Listing of Glass Wool (Respirable Size) On 7th Annual Report on Carcinogens.

DEAR DR. HENDERSON: Thank you for your letter of August 17. I am disappointed that we will not have the opportunity to meet with you at this time. However, I do appreciate that the Department and the National Toxicology Program (NTP) are considering the issues raised in our petition, and I respect your decision that this is not the right time for a meeting.

NAIMA remains very concerned that the issues raised in the petition regarding the Annual Report on Carcinogens (ARC) listing criteria, as well as the underlying science on glass wool, receive a detailed, expert and objective review by scientists familiar with fiber toxicology and occupational epidemiology issues. We believe that the criteria used by the NTP, at least as NTP now interprets them, are outside the scientific mainstream and scientifically indefensible. Because of this, the NTP should not proceed with the listing of glass wool until this review is completed and the criteria revised. Proceeding to evaluate glass wool under the existing criteria (or NTP's interpretation of those criteria) risks an erroneous, arbitrary and capricious result.

Along those lines, NAIMA is concerned that your memorandum of July 15, 1993 to Dr. Olden may be misunderstood. This memorandum was telecopied to us for comment by a reporter for the Bureau of National Affairs (BNA); the reporter indicated he had received the memorandum from members of Dr. Olden's staff. Your August 17 letter states that the Department is in the midst of considering the issues raised by the petition including, presumably, the ARC listing criteria and NTP's interpretation of those criteria. However, your July 15 memorandum describes a review process in which both the NTP Scientific Review Committee and the NTP Working Group will review "the strength of the evidence for glass wool's carcinogenicity according to ARC criteria."

Meaningful consideration of the NAIMA petition's arguments that the NTP listing criteria require reevaluation would entail a review of the existing "strength of the evidence" approach to carcinogen classification. Under that "strength of the evidence approach," a substance must be classified as a carcinogen if it produces tumors in laboratory animals—regardless of any other evidence. Under a "weight of the evidence" approach, by contrast, the totality of scientific evidence may be considered in making human carcinogen hazard identification judgments [including negative animal studies, the relevance of the routes of animal and human exposure, other mechanistic information and epidemiological (mortality and morbidity) data]. NAIMA is concerned that NTP may consider your memorandum to Dr. Olden warrant for the evaluation of the glass wool science under the existing criteria.

The Department's decisions to review the NTP carcinogen hazard classification criteria and the application of those criteria to glass wool are of obvious importance to the industry, the industry's employees, the public and the NTP. These reviews provide a unique opportunity to assess important scientific issues both generically and with regard to a particular, important substance—



glass wool. NAIMA believes these reviews should be as well informed, as fair and impartial and as comprehensive as practicable. To that end, NAIMA formally requests that a number of procedures be followed.

First, we believe, it is imperative that these decisions be made on the basis of an open, publicly available record that contains all relevant documents to be considered. Over the past several weeks, NAIMA has repeatedly been questioned by reporters in possession of external letters written to the Department as well as internal Departmental and NTP memoranda, and has been asked to comment or respond. We believe that the public record should reflect what representations have been made to the Department so that NAIMA and others can bring relevant information supporting or refuting those representations to the Department's attention.

Second, NAIMA requests that the Working Group meeting(s) be open to the public. There has been considerable confusion regarding the proceedings to date including precisely what occurred at the closed October 1992 Working Group meeting and precisely what information was transmitted to Dr. Olden thereafter regarding the views of the various NTP Working Group constituent agencies. NAIMA also believes that secrecy regarding these important questions of science and science policy serves no purpose. Openness is more consistent with and promotes fairness and full discussion. It should be the policy of the Department to provide the public the fullest information practicable regarding these important decision-making processes.

Third, NAIMA requests the opportunity to make full, expert scientific presentations to the Working Group regarding glass wool toxicology, the epidemiology studies of glass wool workers and the NTP carcinogen hazard identification criteria. NAIMA anticipates that a number of eminent, independent toxicologists with fibers, occupational epidemiologists and carcinogen classification experts would be available to make such presentations. This would doubtless be useful input to the Working Group members.

Fourth, we request that the Department and/or the Working Group convene an independent, peer review panel of preeminent fiber toxicologists and occupational epidemiologists, as well as carcinogen classification experts, to assist the Department and/or the Working Group in evaluating all the scientific evidence including the evidence presented pursuant to NAIMA's previous (third) request.

We would point out that Department action granting this request would be consistent with the consensus of the NTP Working Group, as reflected in the publicly available minutes of the October 8, 1992 Working Group meeting:

"The general consensus was that the review by the Working Group for the ARC could be considered as a partial peer review but that it should be willing to take some scientific issues which need further definition to some body of scientists deemed expert on the issue."

NTP Working Group Minutes, October 8, 1992 Meeting, p.6. Specifically, regarding the new glass wool toxicology data, again according to the October 8 meeting minutes, "Dr. Allaben then stated that he did not feel it was in the charter of the Working Group for the ARC to serve as a peer review group for this type of submission and felt that an ad hoc group of experts would better serve to review this data for the NTP." Id. at 8-9. If

NIH grant proposals and NTP bioassays deserve external peer review, then critical carcinogen hazard identification information intended for general public dissemination surely deserves no less review.

Fifth, NAIMA requests that the NTP/NIEHS, taken together, be allowed only one vote at the next Working Group meeting. The minutes of the October 8 meeting reflect a series of ballots in which nine votes were cast although only eight agencies were represented. Although the NTP and NIEHS representatives are identified separately as if they represent distinct entities, both representatives work for and report to the NIEHS/NTP Director and are NIEHS employees. Indeed, the cover page of the October 8, 1992 Working Group minutes specifically identifies two voting members as NIEHS representatives (copy attached as Attachment 1). Given the significance of the issues to be discussed and the closeness of the October 8 votes, it would be more representative if NTP/NIEHS were treated as are other agencies and allowed only one vote. This would also eliminate any questions about the appropriateness of such double counting.

There is no doubt that the Department is legally required, having decided to review its criteria and the glass wool decision, to follow procedures fair to all interested parties and adequate to develop a full and fair record. We believe the procedures requested above are essential to achieving that end.

We are, in similar vein, concerned that these important scientific issues be debated within this decisional process—and not in the press. In recent weeks, we have been called by a number of reporters and informed by them that they had received information from NTP employees about the decisional process—information about which we were totally unaware. As you know, that information has led to several press stories in recent weeks.

We believe it essential that the scientific issues be considered fully and fairly by each of the participants in the NTP process. The process will inevitably be infected if such publicity continues. Creating an open, publicly available record, opening up the Working Group meeting, allowing expert input, requiring independent expert peer review and addressing the voting process—as we request above—is an appropriate means of assuring a full and fair process.

Finally, even if the NTP criteria were to remain unchanged, we do not believe that a rigorous, impartial and even-handed review of the science supporting the proposed listing of glass wool has yet taken place. Specifically, even under the extant criteria, NTP must consider questions of study design, conduct and the meaning of the results in its evaluation of the scientific evidence which allegedly supports the listing. See Introduction, Sixth (1991) Annual Report on Carcinogens, Summary, p. 6 ("As an alternative. . . epidemiologic studies . . . scientists can use well-designed animal studies") (emphasis added). Any positive studies must be found to meet a certain threshold of quality in order for them to be considered to be "sufficient" to warrant a finding of carcinogenic hazard.

NTP staff has been at great pains to identify any weakness in the RCC glass wool inhalation studies and to question their value in the carcinogen hazard identification process. NAIMA welcomes this detailed scrutiny and analysis of the design and conduct of this study, conducted according to Good Laboratory Practices and now published in two peer-reviewed journals. Similar scrutiny

is welcomed of the seven other consistent, negative animal inhalation studies involving glass wool exposure to a variety of species.

By contrast, with respect to the glass wool injection/implantation studies, NTP staff has set forth no criteria against which such studies are to be evaluated and judged to be valid, well designed and well conducted. This apparently uncritical acceptance of the positive injection/implantation studies is especially troubling in light of the growing national and international consensus that the sole value of these non-physiological route of exposure studies is as screening tests to determine what fibers should be subject to inhalation testing, the exposure route relevant to humans. The NAIMA petition of June 29, 1993 discusses in detail the nearly identical conclusions of the Chemical Industry Institute of Toxicology (CIIT) (1992) and World Health Organization (WHO) (1992) expert panels on this point. So as not to prolong this letter, NAIMA here merely enumerates certain of the importing failings of the glass wool injection/implantation studies. These studies:

1. Employ excessive or overload doses;
2. Use non-physiologic routes of administration by normal, respiratory system defense mechanisms;
3. Have produced results that have not been demonstrated to correspond to results in either animal inhalation or human epidemiology studies;
4. Have not been conducted in accordance with established, accepted repeatable scientific protocols following Good Laboratory Practices;
5. Allow little or no opportunity for natural clearance of fiber from the injection/implantation site;
6. Entail abnormal anatomical localization of fibers;
7. Permit little or no interaction with cell types common in the terminal bronchioles and alveoli; and
8. Result in a high incidence (approximately 10%) of neoplasms in saline control animals.

Such criticisms are abundant in the peer-review literature, and yet they apparently have received little or no consideration by NTP as part of its evaluation. Instead, NTP has relied totally upon these studies as the basis for recommending that glass fibers be listed as a reasonably anticipated human carcinogen. Rather than elaborate these criticisms here, NAIMA respectfully refers you to Attachment 2, where some of these criticisms and failings are discussed in more detail. NAIMA shares the concerns reflected in the October 8, 1992 Working Group meeting minutes that the Working Group may not have the highly specialized expertise to conduct a full evaluation of these studies. As such, NAIMA requests that if the review of glass wool is to proceed under the existing criteria, that this evaluation be referred to an independent panel of fiber toxicology experts.

A final note is in order. Some individuals have attempted to minimize the significance of the proposed listing of glass wool as reasonably anticipated to be a human carcinogen. These individuals have argued that NAIMA should not be concerned because this is merely the "First step in hazard identification" and further that "reasonably anticipated" in fact means only "may possibly." Others have questioned industry's good faith in filing the petition and pursuing the options provided to it by law under the Administrative Procedure Act.

Two points need to be made. Let us momentarily put to one side any economic

harm to the industry or the jobs of its employees. Let us also momentarily put to one side the concrete and empirically verifiable losses in the area of energy conservation, recycling and air pollution prevention if the market place substitutes other, untested products for glass wool or uses less insulation as a result of an unwarranted classification of glass wool as reasonably anticipated to be a human carcinogen. Putting all that aside, NAIMA, its member companies and their many thousands of employees and customers have a right to a full, fair and open hearing before being needlessly stigmatized by the United States Government as working with or selling a product that has been classified as a reasonably anticipated human carcinogen. NAIMA does not choose to waive that right.

Second, the public has a right to a full and fair evaluation from its Government of these important questions of science and public policy. It has been observed that "once the government condemns a substance as inherently dangerous, that denouncement may well be tantamount to an economic death knell." The ability of the public to make fine distinctions between "reasonably anticipated" and "may possibly," and between "first step in hazard identification" and "actual risk that I will get cancer" is difficult to estimate. However, one point is clear: the public will be harmed if substances are classified provisionally as carcinogens on the basis of flawed criteria. The public is also keenly interested in not being falsely alarmed by government agencies about the carcinogenicity of particular substances.

NAIMA respectfully requests that this letter and its two attachments be made part of the administrative record that the Department preserves for this proceeding.

Thank you for your consideration of this important matter.

Sincerely yours,

WILLIAM BLACK,  
President.

DEPARTMENT OF HEALTH AND HUMAN SERVICES—U.S. PUBLIC HEALTH SERVICE, NATIONAL TOXICOLOGY PROGRAM

MEMBERS/ALTERNATES

Dr. Jameson, NIEHS, Chairman; Dr. Allaben, NCTR/FDA; Dr. Cameron, NCI; Dr. Fouts, NIEHS; Dr. Parker, EPA; Dr. Schuman, OSHA; Dr. Siegel, NLM; Ms. Stevens, ATSDR; Dr. Wind, CPSC (absent); Dr. Zumwalde, NIOSH.

OBSERVERS

Dr. Greenman, NCTR/FDA; Dr. Sheridan, NIEHS.

THE LIMITATIONS OF ANIMAL INJECTION/IMPLANTATION STUDIES IN ASSESSING HUMAN CANCER HAZARDS

Numerous governmental agencies and scientific groups have questioned the relevance of animal injection and implantation studies in assessing the hazard to humans of fibers. The World Health Organization and the International Programme on Chemical Safety and, in the United States, the National Institute on Occupational Safety and Health, the Environmental Protection Agency (EPA), the Consumer Product Safety Commission, and a symposium co-sponsored by EPA and the National Institute of Environmental Health Sciences have all in recent years issued reports that, while finding value in such studies to screen fibers for further testing by physiological (inhalation) routes of exposure, also find they should not be used to assess whether the same fibers, when inhaled by humans, pose cancer hazards.

These reviews question the relevance of injection/implantation studies based on fundamental failings of such studies. Injection/implantation studies:

(1) Employ non-physiologic routes of administration that bypass normal respiratory system defense mechanisms;

(2) Have produced results that have not been demonstrated to correspond to results in either animal inhalation or human epidemiology studies; and

(3) Have not been conducted in accordance with established, accepted protocols following Good Laboratory Practice (GLP) methodology.

We describe each failing below.

(1) *Non-Physiologic Routes of Administration:* When humans inhale fibers, five levels of defense protect against adverse effects: (a) aerodynamic filtration of the respiratory tract; (b) ciliated mucous transport of fibers deposited on the bronchial tree; (c) phagocytosis by macrophages of fibers that reach the terminal bronchioles; (d) solubilization of fibers that may remain in this region; and (e) additional filtration of fibers in moving to the lung pleura. Injection/implantation studies bypass all of these defense mechanisms and thus do not reflect the reality that:

"If the lung is able to prevent the fiber from reaching or removes the fiber from the critical site for producing a pathological response, the fiber will not be pathogenic."

D.M. Bernstein, "An Evaluation of the Use of an Inhalation Model versus Intraperitoneal Injection Model for the Assessment in Rats of the Carcinogenicity of Natural and Man-Made Vitreous Fibers," 43 *Zbl Arbeitsmed* [Main Journal of Occupational Medicine] 120, 126 (1993).

Moreover, these defense mechanisms, even if they do not totally prevent fibers from reaching target tissues, may substantially change the size, shape, surface area, surface charge and chemical composition of the fibers—each of which factors may affect fiber toxicity. Indeed, the intra-peritoneal test has shown coarse fibers to be more carcinogenic than finer fibers—in contrast to the accepted toxicological wisdom that precisely the opposite is true. C.E. Rossiter, "Fiber Carcinogenesis: Intro-Cavitary Studies Cannot Assess Risk to Man," 567, 575 *Mechanisms in Fiber Carcinogenesis* (1991).

In addition, the typical bolus dose employed injection/implantation studies (up to 100 million times the typical human dose) will often produce a massive inflammatory response totally untypical of human reactions. Indeed, certain often-employed intra-peritoneal test systems produce about 10% neoplasms from injection of saline in controls. Such results should be viewed as artifactual of the test system, rather than as evidence of animal or human hazard or risk. Rossiter, *supra*, at 573-75. See also R.O. McClellan, "Approaches to Evaluating the Toxicity and Carcinogenicity of Man-Made Fibers: Summary of a Workshop Held November 11-13, 1991, Durham, North Carolina," 16 *Reg. Toxicol. & Pharmacol.* 321, 335 (1992).

(2) *Lack of Correspondence to Inhalation Results:* Injection/implantation studies of fibers have never been validated as relevant to human, or even animal, inhalation. Marked discrepancies exist between human and animal inhalation results and results achieved in injection/implantation studies of the same fibers.

Chrysotile asbestos, for example, very rarely causes mesotheliomas in humans, and fiber glass has never been associated with mesotheliomas in humans or in animals inhaled by humans, pose cancer hazards.

have produced significant mesothelioma rates with both fibers. On the other hand, animal inhalation studies, when properly performed using fibers of the relevant dimensions, have been found to correlate well with human results.

Studies that have not been validated as demonstrating results that are similar to real-life results should not be relied upon in human health hazard assessment.

(3) *Absence of Accepted Protocols:* No accepted protocols have been adopted by governmental scientific bodies for injection/implantation studies. Nor have such studies been conducted according to Good Laboratory Practice methodologies as are required for inhalation studies relied on by Governmental bodies.

Animal inhalation study protocols have been developed with great care over the years by NTP, EPA, the European Economic Community and many other groups. Regulators have insisted on compliance with these protocols in order to rely on study results. No such established protocols exist for injection/implantation studies.

Nor have injection/implantation studies been performed according to Good Laboratory Practices regulations. Such rules assure that all aspects of the study were performed as specified in the protocols and that all data were properly recorded and reported. Such guarantees of proper study design and implementation have not been employed in injection/implantation research.

Because of the absence of established protocols and GLP methodology, injection/implantation studies typically fail to include important research techniques and/or report very important information. For example, such studies:

Typically do not report the full range of fiber dimensions administered;

Do not include microscopic recovery tests to determine which of the administered fibers actually reached the target tissues;

Fail to report on the viral status of the animals;

Do not include microscopic histopathological examinations of control animals;

Do not include evaluations of the origins of the tumors produced;

Do not include any peer review reading of the slides.

These failings all indicate an absence of information critical to assessment of injection/implantation studies. Without such information, for example, it is impossible to know whether lesions have been missed in examination of controls, or to determine which tumors in which organs are or are not related to the administered fiber, or whether important issues in pathology diagnosis exist as interpreted by different pathologists.

Given all the failings in the typical conduct of injection/implantation studies, reports of such studies fall short of providing the information necessary for appropriate review.

PRESIDENT NIXON'S SPEECH IN RUSSIA

Mr. DOLE. Mr. President, I would like to recognize the efforts of one of our country's leading observers of international affairs, former President Richard Nixon. Having recently concluded a trip to the former Soviet Union that was highlighted by a speech before the State Duma's Committee on Foreign Relations, President Nixon has



once again shown that he is a voice that should be heard on United States relations with the world. Not only did President Nixon speak without notes, he fielded tough questions for more than 1 hour. President Nixon's energy and ability continue to make an impact on the world.

As President, Richard Nixon constructed the policy of detente with the Soviet Union. This trip marked his 10th visit to Russia in 35 years. At a time when relations with the former Soviet Union are at a crossroads, President Nixon provides sound advice. In his speech, President Nixon emphasizes the importance of Russia to United States interests and the need to ensure the success of freedom in Russia. On this approach, I think we can all agree. Although President Nixon's trip may have made headlines due to an unfortunate miscommunication with President Yeltsin, it should be remembered for more. President Nixon's astute observations on foreign policy deserve wide attention and therefore I ask that the text of his comments before the State Duma's Committee on Foreign Relations be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY PRESIDENT RICHARD NIXON—COMMITTEE ON FOREIGN RELATIONS, STATE DUMA, RUSSIAN FEDERATION

MONDAY, MARCH 14, 1994, MOSCOW

Mr. Chairman, I want to express my appreciation for your very gracious introduction. I am particularly pleased that for the first time in my many visits to Russia—this is the tenth—I am appearing before a committee of the Duma and other Russian friends. I noted that Chairman Lukin pointed out that I was a former President of the United States. I also have been one of you, because it was 47 years ago that John F. Kennedy and I came to Washington for the first time as freshman Congressmen. In 1960, he was elected President of the United States. In 1968, I was elected President of the United States. And I am sure that some of the younger members of the Duma hope that happens to them here in Russia. So I wish you well as far as your political careers are concerned.

I want to address Russian-American relations in a very realistic way today. Let me put the matter in historical perspective. Thirty-five years ago on my first visit to Russia, Premier Khrushchev and I had a lively exchange of views during a period of confrontation between the Soviet Union and the United States. In 1972 and 1974 in the Kremlin, I met with President Brezhnev at a time of detente. We were able to negotiate a very significant arms control agreement and other positive agreements between our two countries. Now I stand here before the first freely elected Parliament in Russian history at a time when Russia also has its first freely elected President in one thousand years. So I have seen our relationship move from confrontations in 1959 to detente in 1972 and 1974, and now to cooperation.

In order to understand what the new relationship should be, it is necessary to disabuse ourselves of some misconceptions. We sometimes hear it said that the Cold War is

over and the Russians have lost it. That is not true. The Russians did not lose the Cold War. Democratic Russia was responsible for delivering the knock-out blow to Soviet communism in December 1991. It was the Soviet communists rather than Democratic Russians who lost the Cold War. The United States, therefore, should not treat Russia as a defeated enemy but as an ally and friend in the defeat of aggressive Soviet communism.

The second misconception, one that was repeated in a major American newspaper last week, is that because Russia no longer rules an empire, it is no longer a great power and should not be treated as a great power by the United States. That is also incorrect. Russia was and is a great power and the Russian-American relationship is the most important relationship that the United States has with any nation in the world. There are several reasons why that is the case.

First, Russia is the only nation in the world that has the capability to destroy the United States of America. Second, Russia's cooperation is indispensable in dealing with a number of problems like the current situation in the Mideast. Third, and to me most important, is that the success or failure of political and economic freedom in Russia will have a profound effect in the world among those who are dictators or hope to be dictators. If freedom succeeds in Russia, it means that freedom will be the wave of the future. Therefore we should work together to make it succeed.

Having stated that we are no longer potential enemies, we must recognize that as friends, we will have differences. But I emphasize that they will be differences between friends, rather than differences between enemies—just as the United States has differences with a number of other of its friends and allies in Europe and Japan. As far as those differences are concerned, it is important to put them on the table, to know where we agree and disagree, rather than to drown them in toasts of vodka and champagne. There is no question but that the good personal relationship between President Yeltsin and President Clinton is one of the most positive developments of this period. But we must recognize that this personal relationship does not indicate that we do not have some profound differences. I say this because there is a tendency, particularly between friends, to paper over differences with emotionalism. This does not serve the cause of peace. It does not serve the cause of friendship.

Mr. Chairman, I want to be very frank with our friends here in the Duma, as you have often urged me to be, and which you have been in the United States when you have addressed members of our Congress. After the euphoria of 1991 and 1992, and after several summit meetings, there has been too much of a tendency to assume that everything is going smoothly between our two countries. That is not true. If you look at the situation in Russia and in America, there are some profoundly disturbing developments. For example, in America, if you follow our media you will find that as a result of the exaggerated reaction to the Ames spy scandal, there has been a resurrection of some anti-Russian attitudes carrying over from the Cold War. And speaking candidly, a number of our most distinguished commentators and observers have reacted very strongly to the recent election in Russia. They are concerned that Russia will revert to an aggressive foreign policy. Many Americans are concerned by what they see as a new assertiveness on the part of some of Russia's foreign policy officials.

Now let us look at the situation in Russia. Mr. Chairman, I have found some profound change in the attitude among my Russian friends since even last year. It is not anti-American. It is more pro-Russian. I understand this. Russia is a great power and Russia as a great power must chart its own course in foreign policy. Sometimes that course will be the same as that of the United States—in fact, most of the time. Sometimes it will be different. And when it is different, we must not allow that difference to poison the most important strategic relationship between two powers in the world today.

I have found, for example, that some of my Russian friends say they are disappointed in the failure of the United States to provide in performance what it promised insofar as aid to reforms in Russia is concerned. Others have expressed concern with regard to the failure of the United States to recognize the plight of 25 million Russians living in the near abroad. And as you know, we have had some differences in Bosnia which currently we hope are being resolved.

I give these only as examples. It is important for leaders in this country and in the United States to work together when we can. But when we have differences, we should not assume that they will be overcome by a good personal relationship even at the highest level or by friendly meetings between members of legislatures. They can only be overcome if we recognize them and then negotiate in a pragmatic way. As great nations, we must always stand for our ideals but we must base our policies on our interests. I used to say to your Chairman that if I were a Russian politician I would realize that it would not be helpful to go in lockstep with America on all issues. I speak to you candidly as a politician and as an American, just as you are patriotic Russians.

It is in that spirit that I look forward to hearing your questions on foreign or domestic policy, and if you desire your speeches on either. Let me add finally a personal word. I noted that President Yeltsin has returned to his native Sverdlovsk for the funeral services of his mother-in-law. We express our sympathy to him on this occasion.

I vividly remember thirty-five years ago my visit to Sverdlovsk and then to a small school in the Ural mountains nearby. The school children were there waving American and Russian flags. I asked my translator, "What can I say in Russian that they would want to hear? What do I say to school children?" He said I should say, "Mir i Drushba." For the balance of that trip, in every speech I made, I said, "Mir i Drushba—peace and friendship."

My friends, when I said that 35 years ago, it was only a hope. Today, you can help to make it a reality.

President Nixon spoke without notes.

#### TRIBUTE TO JOE STEWART

Mr. PELL. Mr. President, I want to express my high regard and best wishes to our distinguished Secretary of the Senate, Walter J. Stewart, who will be leaving office on April 14. I know I value greatly his friendship and shall miss him.

Joe Stewart can truly be described as a man of the Senate. He has spent most of his adult life in the service of this institution and he knows its customs and its requirements instinctively, by dint of long experience and familiarity.

As Secretary of the Senate, he has managed with quiet efficiency the far-flung responsibilities of his office, which include not only the central legislative and record keeping functions of the Senate, but a wide array of support functions, ranging from the office of the Senate security in the Capitol attic to the disbursing office in the Hart Building.

Joe has always recognized that the Senate is an assembly of unique individuals, each of whom has an independent agenda, and he has always been skillful in accommodating the operation of the institution to the needs of the individual members whenever he could.

He will be sorely missed and I know I speak for many others when I say that I am sorry to see Joe depart to follow other pursuits. He will be a hard act to follow, but we are fortunate indeed to have a person of Martha Pope's experience and stature to assume the office of Secretary of the Senate when Joe leaves, and I wish her well in her new role.

#### MESSAGES FROM THE HOUSE

At 12:20 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, each with amendment, in which it requests the concurrence of the Senate:

S. 476. An Act to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

S. 1574. An Act to authorize appropriations for the Coastal Heritage Trail Route in the State of New Jersey, and for other purposes.

S. 1636. An Act to authorize appropriations for the Marine Mammal Protection Act of 1972 and to improve the program to reduce the incidental taking of marine mammals during the course of commercial fishing operations, and for other purposes.

The message also announced the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1394. An Act to improve coordination of National Oceanic and Atmospheric Administration Great Lakes activities.

H.R. 2063. An Act to amend existing law relating to the National Coastal Resources Research and Development Institute.

H.R. 2760. An Act to authorize the Marine Mammal Protection Act of 1972 for 6 fiscal years, to establish a new regime to govern the incidental taking of marine mammals in the course of commercial fishing operations, and for other purposes.

H.R. 3235. An Act to amend subchapter II of chapter 53 of title 31, United States Code, to improve enforcement of antimoney laundering laws, and for other purposes.

H.R. 3360. An Act to demonstrate ballast water management technologies and practices on vessels, including vessel modification and design, that will prevent aquatic nonindigenous species from being introduced and spread in the United States waters.

H.R. 3516. An Act to increase the amount authorized to be appropriated for assistance

for highway relocation regarding the Chickamauga and Chattanooga National Military Park in Georgia.

H.R. 3664. An Act to direct the Secretary of the Interior to convey to the State of Minnesota the New London National Fish Hatchery production facility.

H.R. 3786. An Act to amend title 46, United States Code, to establish requirements to ensure safe operation of recreational vessels, to require allocation of State recreational boating safety program assistance based on State adoption of laws regarding boating while intoxicated, and for other purposes.

H.R. 3886. An Act to amend the boundaries of the Flower Garden Banks National Marine Sanctuary.

H.R. 4034. An Act to amend the Urban Park and Recreation Recovery Act of 1978 to authorize grants for the expansion of recreation opportunities for at risk youth in urban areas with a high prevalence of crime, and for other purposes.

H.J. Res. 329. Joint Resolution designating March 23, 1994, as "Education and Sharing Day, U.S.A."

The message further announced that pursuant to the provisions of section 5(b)(1) of Public Law 102-521, the Speaker appoints the following as members of the Commission on Child and Family Welfare, from private life, on the part of the House: Mr. Donald R. Bardill of Tallahassee, FL, Mr. George C. Cheek of Spokane, WA, Mr. John Guidubaldi of Kent, OH, and Mr. Bill Harrington of Tacoma, WA.

At 2:31 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 171. Joint Resolution to designate March 20 through March 26, 1994, as "Small Family Farm Week."

At 5:46 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 1804) entitled "An Act to improve learning and teaching by providing a national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all students; to provide a framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications; and for other purposes."

The message further announced that the House agrees to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 230, concurrent resolution to correct an error in the enrollment of the bill H.R. 1804.

At 7:50 p.m., a message from the House of Representatives, delivered by

Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3345) to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes.

#### ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 171. Joint Resolution to designate March 20 through March 26, 1994, as "Small Family Farm Week."

The enrolled joint resolution was subsequently signed by the President Pro tempore (Mr. BYRD).

#### MEASURES REFERRED

The following measures were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1394. An act to improve coordination of National Oceanic and Atmospheric Administration Great Lakes activities; to the Committee on Commerce, Science, and Transportation.

H.R. 2063. An act to amend existing law relating to the National Coastal Resources Research and Development Institute; to the Committee on Commerce, Science, and Transportation.

H.R. 3235. An act to amend subchapter II of chapter 53 of title 31, United States Code, to improve enforcement of antimoney laundering laws, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 3360. An act to demonstrate ballast water management technologies and practices on vessels, including vessel modification and design, that will prevent aquatic nonindigenous species from being introduced and spread in the United States waters; to the Committee on Commerce, Science, and Transportation.

H.R. 3516. An act to increase the amount authorized to be appropriated for assistance for highway relocation regarding the Chickamauga and Chattanooga National Military Park in Georgia; to the Committee on Energy and Natural Resources.

H.R. 3664. An act to direct the Secretary of the Interior to convey to the State of Minnesota the New London National Fish Hatchery production facility; to the Committee on Environment and Public Works.

H.R. 3786. An act to amend title 46, United States Code, to establish requirements to ensure safe operation of recreational vessels, to require allocation of State recreational boating safety program assistance based on State adoption of laws regarding boating while intoxicated, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 3841. An act to amend the Bank Holding Company Act of 1956, the Revised Statutes of the United States, and the Federal Deposit Insurance Act to provide for interstate banking and branching; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 3886. An act to amend the boundaries of the Flower Garden Banks National Marine Sanctuary; to the Committee on Commerce, Science, and Transportation.



H.R. 4034. An act to amend the Urban Park and Recreation Recovery Act of 1978 to authorize grants for the expansion of recreation opportunities for at risk youth in urban areas with a high prevalence of crime, and for other purposes; to the Committee on Energy and Natural Resources.

### MEASURES PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2760. An act to authorize the Marine Mammal Protection Act of 1972 for 6 fiscal years, to establish a new regime to govern the incidental taking of marine mammals in the course of commercial fishing operations, and for other purposes.

### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2399. A communication from the Executive Director of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the report relative to the appointment of conservators; to the Committee on Banking, Housing, and Urban Affairs.

EC-2400. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on transportation user fees for fiscal year 1992; to the Committee on Commerce, Science, and Transportation.

EC-2401. A communication from the Secretary of Energy, transmitting, pursuant to law, notice relative to the report on insular areas and oil supply disruptions; to the Committee on Energy and Natural Resources.

EC-2402. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report on the expenditure and need for Worker Adjustment Assistance Training Funds for fiscal year 1994; to the Committee on Finance.

EC-2403. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the annual report under the Government in the Sunshine Act for calendar year 1993; to the Committee on Governmental Affairs.

EC-2404. A communication from the Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the annual report on the system of internal accounting and financial controls in effect during fiscal year 1993; to the Committee on Governmental Affairs.

EC-2405. A communication from the Chairman of the Postal Rate Commission, transmitting, pursuant to law, notice of the filing of proposed postal rate and fee changes; to the Committee on Governmental Affairs.

EC-2406. A communication from the Vice President of the Corporation for National and Community Service, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1993; to the Committee on the Judiciary.

EC-2407. A communication from the Deputy Director of the Office of Government Ethics, transmitting, pursuant to law, the annual report under the Freedom of Informa-

tion Act for calendar year 1993; to the Committee on the Judiciary.

EC-2408. A communication from the Assistant Secretary of Education (Office of Special Education and Rehabilitative Services), transmitting, pursuant to law, the report of final regulations—Student Assistance General Provisions (Student Eligibility); to the Committee on Labor and Human Resources.

EC-2409. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the annual report for fiscal year 1993; to the Committee on Veterans' Affairs.

### PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-410. A joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

#### "SENATE JOINT RESOLUTION NO. 34

"Whereas, The United States of America mint located at Fifth and Mission in San Francisco has been known as the Old Mint and called over the years the Granite Lady; and

"Whereas, The Federal Greek Revival fortress was built by famed architect A.B. Mullet with four-foot walls of Rocklin granite, a facade of British Columbia blue-stone, iron shutters, a pyramidal flight of steps, a portico of Doric columns and was declared a National Landmark in 1961; and

"Whereas, The 119-year old building opened for business in December 1874, withstood the earthquake and fire of 1906 and the 1989 Loma Prieta earthquake, and houses one of the best museums of California history, and was itself a major part of that history; and

"Whereas, The mint once housed significant amounts of the nation's gold reserve; and

"Whereas, The Granite Lady once stamped California's gold and Nevada's silver into the coins that most people then preferred to greenbacks; and

"Whereas, In 1906, as flames ignited by the earthquake destroyed everything around it, mint employees and soldiers with a hose one-inch in diameter fought seven hours to save the building—and the two hundred million dollars (\$200,000,000) in its vaults; and

"Whereas, When the smoke cleared, the Old Mint was nearly alone among the survivors in its neighborhood after the 1906 San Francisco earthquake and fire; and

"Whereas, The Old Mint is the only example of Greek Revival used in the architecture of federal buildings west of the Rockies; and

"Whereas, The Old Mint drew 83,552 visitors and generated a \$400,000 income from the sales of commemorative coins and souvenirs last year; and

"Whereas, This beloved and popular landmark was closed as a result of a decision by bureaucrats within the Treasury Department affording no public comment by elected officials or other citizens; and

"Whereas, The United States Treasury Department reopened the Old Mint temporarily after its sudden closure, for a 90-day period, in order to study options other than the permanent closure of the Old Mint; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress

of the United States to direct the Treasury Department to make the reopening of the museum and former U.S. Mint in San Francisco, known as the Granite Lady or Old Mint, permanent at the end of the 90-day review period; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-411. A resolution adopted by the Council of the Town of Wethersfield, Connecticut relative to commercial whale killing; to the Committee on Commerce, Science, and Transportation.

POM-412. A resolution adopted by the Council of the City of New Bedford, Massachusetts relative to the fishing industry; to the Committee on Commerce, Science, and Transportation.

POM-413. A resolution adopted by the Legislature of the State of South Dakota; to the Committee on Commerce, Science, and Transportation.

#### "SENATE CONCURRENT RESOLUTION NO. 2

"Whereas, Congress passed a federal law in 1975, amended in 1988, requiring all federal agencies to use the metric system in their procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms; and

"Whereas, the federal mandate stated that all federal agencies are to proceed with metric conversion; and

"Whereas, up to this point it appears that the Federal Highway Administration (FHWA) is one of only a few federal agencies, if not the only federal agency, aggressively moving forward with metric conversion; and

"Whereas, the Interstate Commerce Commission, in a decision issued on June 2, 1992, dropped all plans to encourage the industries it regulates to switch from the decimal to the metric system of measurement; and

"Whereas, the FHWA solicited comments on metric conversion through the Federal Register and published a review of those comments on June 11, 1992; and

"Whereas, the notice stated that forty-seven percent of the respondents strongly opposed metric conversion and another thirty-five percent expressed some reservation to the conversion while only eighteen percent were strongly supportive of converting to the metric system; and

"Whereas, the conversion to the metric standard will require state and local transportation agencies to absorb the costs of conversion within their own budgets at a time when federal funding has been cut and infrastructure needs and costs continue to increase; and

"Whereas, the costs will range from changing highway speed and distance signs to rewriting highway and transportation design procedures and rewriting vehicle license procedures and manuals to retraining workers and contractors throughout the public and private transportation sector; and

"Whereas, the conversion costs will divert millions of construction and maintenance dollars from the nation's infrastructure and inhibit rather than enhance productivity; and

"Whereas, the conversion cost in South Dakota alone is estimated to be over 6.3 million dollars for state and local government transportation agencies; and

"Whereas, there exists the lack of a strong public education program to prepare the public for this change as well as a lack of federal leadership and direction of a conversion program; and

"Whereas, the United States Department of Commerce was mandated at the federal level to direct and coordinate implementation of the metric system and has not acted in that role which has resulted in each federal agency developing their own plan and time schedule for conversion without coordination between agencies: Now, therefore, be it

*"Resolved*, by the Senate of the Sixty-ninth Legislature of the state of South Dakota, the House of Representatives concurring therein, that in the best interests of the state of South Dakota, the United States Department of Transportation should cancel or delay the Federal Highway Administration's plans to convert their activities and business operations to the metric system of weights and measures by September 30, 1996; and be it further

*"Resolved*, that copies of this resolution be sent by the secretary of the senate to each member of the South Dakota congressional delegation; and be it further

*"Resolved*, that copies of this concurrent resolution be sent by the secretary of the senate to the secretary of the United States Department of Transportation, the administrator of the Federal Highway Administration, the presiding officers of each house of the Legislature of each of the other states in the union, the clerk of the United States House of Representatives, and the secretary of the United States Senate."

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1963. An original bill to permit certain financial institutions to engage in interstate banking and branching (Rept. No. 103-240).

#### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs:

Rafael Diaz, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Robert A. Shuker.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Raymond Gerard Gagnon, of New Hampshire, to be U.S. Marshal for the District of New Hampshire for the term of 4 years.

Frank James Anderson, of Indiana, to be U.S. Marshal for the Southern District of Indiana for the term of 4 years.

Nannette Holly Hegerty, of Wisconsin, to be U.S. Marshal for the Eastern District of Wisconsin for the term of 4 years.

David D. Freudenthal, of Wyoming, to be U.S. Attorney for the District of Wyoming for the term of 4 years.

Ancer L. Haggerty, of Oregon, to be U.S. District Judge for the District of Oregon.

Herbert Lee Brown, of Nevada, to be U.S. Marshal for the District of Nevada for the term of 4 years.

Lawson Cary Bittick, of Georgia, to be U.S. Marshal for the Middle District of Georgia for the term of 4 years.

Kent Barron Alexander, of Georgia, to be U.S. Attorney for the Northern District of Georgia for the term of 4 years.

Michael J. Davis, of Minnesota, to be U.S. District Judge for the District of Minnesota.

Franklin D. Burgess, of Washington, to be U.S. District Judge for the Western District of Washington.

(The above nominations were reported with the recommendation that they be confirmed.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE:

S. 1963. An original bill to permit certain financial institutions to engage in interstate banking and branching; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. METZENBAUM (for himself,

Mr. KENNEDY, Mr. SIMON, Mr. PELL, Mr. DODD, Mr. WOFFORD, Mr. MITCHELL, Mr. FORD, Mr. DASCHLE, Mrs. BOXER, Ms. MOSELEY-BRAUN, and Ms. MIKULSKI):

S. 1964. A bill entitled the Reemployment and Retraining Act; read the first time.

By Mr. MCCAIN:

S.J. Res. 175. A joint resolution to designate the week beginning June 13, 1994, as "National Parkinson Disease Awareness Week"; to the Committee on the Judiciary.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. SIMON, Mr. PELL, Mr. DODD, Mr. WOFFORD, Mr. MITCHELL, Mr. FORD, Mr. DASCHLE, Mrs. BOXER, Ms. MOSELEY-BRAUN, and Ms. MIKULSKI):

S. 1964. A bill entitled the Reemployment and Retraining Act.

##### THE REEMPLOYMENT AND RETRAINING ACT

Mr. METZENBAUM. Mr. President, today I am introducing the Reemployment and Retraining Act of 1994, an initiative proposed by the Clinton administration to revitalize assistance to dislocated workers.

Our economy is finally emerging from a long recession. In the first year of the Clinton administration, almost 2 million jobs were created in the private sector. This is encouraging news, but for the 8.5 million Americans still looking for work, this is little consolation. No matter how much the economy improves, their old jobs are gone for good. In 1993 we saw the highest percentage of permanent job loss ever recorded by the Department of Labor—

75 percent of all laid-off workers will never return to their former jobs.

For years unemployment has been concentrated in the manufacturing sector due to increased global competition and overseas plant relocation. But job loss is no longer the exclusive problem of these blue collar workers. Tens of thousands of white-collar jobs have been eliminated in downsizing efforts by large companies, a trend that is likely to continue even in an expanding economy.

Workers in both sectors have been affected by the increasing use of part-time and temporary workers. Often these contingent jobs are the only jobs out there, even for experienced, skilled professionals—jobs with lower pay, fewer benefits, and no security.

The business community claims that this is unavoidable in an era of global competition. But as companies trim their payrolls and plants close their doors in the name of competitiveness, more and more workers are left to face the difficult task of finding new jobs and new careers.

We must do more to help workers meet the challenges of our changing economy. Business and labor must work together to create high wage jobs. We must also ensure that workers have the information and skills necessary to find new and better jobs.

In the past, we have tried to assist dislocated workers with programs targeted at specific groups affected by trade agreements, defense reductions, and other government actions. In fact, I was the author of the dislocated worker provisions in the Omnibus Trade and Competitiveness Act of 1988. Unfortunately, this multi-program approach has left too many dislocated workers out in the cold. Dislocated worker programs serve approximately 600,000 workers each year, but that is only about one-third of the dislocated worker population. We can, and we must, do better.

When workers come to the government for help, they are confronted with a confusing maze of forms, eligibility requirements, and lengthy processing periods. The assistance available to these workers is often inadequate. Too frequently, local program offices lack the necessary information to help workers make informed decisions about career and training choices and do not have the funds to enable workers to retrain for better jobs. Budget cuts in dislocated worker programs during the 1980's have left the dislocated worker program a well-intentioned, but mostly unfulfilled promise.

In addition, the success of these programs is dependent upon early intervention, which is possible only when workers and local communities receive advance notice of layoffs. But our Federal notice law has substantial problems in terms of coverage, compliance and enforcement. We must address



these problems if our dislocated worker programs are to succeed.

In sum, American workers deserve a better chance at a fresh start.

That is why today I am introducing the Reemployment and Retraining Act of 1994, an initiative proposed by President Clinton and Secretary of Labor Robert Reich. The reemployment and retraining act aims to restructure existing dislocated worker programs into one comprehensive system that will serve all permanently laid-off workers. By consolidating these programs, access to assistance will be easier for workers and the department can sponsor a broader array of services.

The bill will require State and local governments to establish a network of career centers that will provide a single point of access to job search assistance, career counseling, skills assessment and referral to job training. A new labor market information system will provide dislocated workers with up-to-date information on job openings and labor market trends. These services will be available to all permanently laid-off workers, without any consideration as to why they lost their jobs.

Workers who need retraining will receive \$4,750 per year for training expenses and will be able to select a training program based on consumer performance information, such as placement rates and graduate earnings. For workers who have 1 to 3 years tenure with their previous employer, income support for up to 1 year will be available while they are enrolled in a training program.

In addition, the Reemployment and Retraining Act encourages States to go one step further by establishing one-stop centers that would expand these services to assist not only dislocated workers, but all job seekers.

The Reemployment and Retraining Act will increase funding for dislocated workers' assistance by \$1 billion a year. This is a bottom line investment that will help revitalize programs that have long been underfunded. Our workforce is this country's greatest resource and we should spend whatever amount is necessary to provide workers with needed jobs and job skills.

The Reemployment and Retraining Act is a good and important first step toward putting Americans back to work, preferably in high skill, high wage jobs. I intend to hold a series of hearings, with the full participation of the job training community, to evaluate what has worked and what has not worked in the past 6 years of program experience. I look forward to working with my colleagues and with the administration to develop this legislation into a strong and successful reform of our job training programs.

Mr. KENNEDY. Mr. President, it is an honor to join Senator METZENBAUM in introducing the Reemployment and

Retraining Act of 1994. This legislation, which was developed by the Clinton administration after extensive consultation with key leaders around the country, addresses an issue of critical importance to our economic future: The need for an effective system to ensure that workers who are bearing the brunt of the rapid structural changes in the economy get the services they need to enable them to secure new jobs at decent wages.

We have all heard the encouraging news about the increasing pace of economic recovery. Unemployment is down, production and productivity are up, and nearly 2 million new jobs have been created in just the last 13 months. The administration's economic program and deficit reduction strategy are clearly producing results.

But these positive signs of recovery exist side by side with other compelling data that tell us that for working Americans, the landscape is still bleak. Wages are stagnant—and in some sectors still falling. Large companies continue to downsize, shedding workers at a record pace. Long-term unemployment—the percent of unemployed workers who have been out of work for more than 6 months—remains at a postwar high. And more than three out of every four workers who lost their jobs last year were permanently—not temporarily—laid off.

Even those who were fortunate enough to keep their jobs and standard of living through the last recession remain deeply concerned about their economic future. According to recent polls, large percentages of employed Americans have very real fears that they too will lose their jobs or be forced to take pay cuts in the foreseeable future.

As Labor Secretary Reich testified last week at a hearing by the Senate Labor and Human Resources Committee, we cannot, and must not, accept a status quo in which large numbers of working Americans are left behind as the economy moves ahead. That is why it is so important to use our best efforts to ensure that working Americans have the skills, the services, and the information they need to participate in the benefits of economic recovery.

The evidence is strong that skill is one of the most significant factors in determining who is benefitting and who is being hurt by the changes in the economy. The earnings gap between those with a college education or other technical training and those without it is steadily increasing. Jobs for relatively unskilled or semiskilled workers that pay good wages and provide decent benefits are disappearing. Workers who once held those jobs and have lost them often find themselves with no other choice than to accept low-paying, unskilled work at a fraction of their former wages.

The legislation which we are introducing today is designed to address that challenge by replacing our current fragmented system of Federal assistance programs for dislocated workers with a single, comprehensive system that moves quickly to identify unemployed workers who are not going to get their old jobs back, and provide them with a range of services to prepare for new jobs that pay decent wages.

In place of the six separate existing programs for dislocated workers—two for workers affected by trade agreements, two for workers affected by defense cutbacks, one for workers affected by the Clear Air Act, and a separate program for every one else—this legislation creates a single program that will serve all workers who are dislocated, regardless of the reason for their dislocation. That step alone should save millions of dollars that are currently wasted each year in duplicative administrative expenses and costly efforts to determine whether a particular worker meets a particular program's eligibility requirements.

Instead of requiring dislocated workers to travel from one office to another to get information and receive the various services available to them, the bill creates single-site career centers at which workers can obtain a full range of services, including assistance in filing for unemployment benefits, information about job openings and training programs, and individualized counseling to assist them in developing plans to get back to work.

Instead of a system in which workers are too often steered into training programs that fail to fit their needs, the bill is designed to allow workers to make their own choices from among programs offered by a wide range of providers. These choices will be based on accurate and up-to-date information on how well those programs are performing in providing participants with marketable skills relevant to actual job opportunities.

For most dislocated workers using the new system, services will focus on providing accurate labor market information and job search assistance. Such services have proved effective for workers who have marketable skills but have difficulty in identifying and contacting potential employers with job openings for which the workers would be qualified.

For the 30 percent of dislocated workers who lack skills to find work or whose skills are obsolete or no longer relevant to existing job opportunities, the program will provide more intensive services, including individual counseling to develop a re-employment plan and assistance in identifying and enrolling in job training programs. Participants enrolled in qualified education and training programs will be eligible to receive up to \$4,760 per year in tuition assistance.

Participants will receive training and education services from a wide variety of public and private providers, including community colleges. However, those providers will be required to furnish objective information on their graduation and placement rates and other performance factors, so that participants can make informed choices about whether to enroll in particular programs, and to ensure that Federal dollars are not used to subsidize fly-by-night or other ineffective programs.

The administration's proposal which we are introducing today is the product of extensive consultations that have been ongoing since early last year. Hundreds of interested groups have participated in the consultation process, and the administration's proposal takes account of many of the comments received. This consultation process has produced broad support for the administration's approach from business and labor groups, state and local government officials, and the provider community.

Because the proposal is complex, we anticipate a full airing of the proposal in the Labor and Human Resources Committee. Last week's hearing, at which Secretary Reich testified, was the first of a series of hearings we will be holding on the bill. We look forward to the active participation of all interested parties as the bill moves forward through the committee. Other aspects of the administration's proposal will be considered by the Senate Finance Committee, including the important reforms of income support for the unemployed. I look forward to working with the members of that committee and with other Senators to achieve the comprehensive reform that is needed.

By Mr. MCCAIN:

S.J. Res. 175. A joint resolution to designate the week beginning June 13, 1994, as "National Parkinson Disease Awareness Week"; to the Committee on the Judiciary.

#### NATIONAL PARKINSON DISEASE AWARENESS WEEK

• Mr. MCCAIN. Mr. President, today it is my pleasure to introduce legislation which designates the week beginning June 13, 1994, as "National Parkinson Disease Awareness Week." I am proud to be sponsoring this important resolution which is dedicated to developing a better understanding of Parkinson's disease by promoting and sponsoring discussions, mutual sharing and support groups for patients as well as their families throughout our Nation.

Also included in this important week will be educational forums and medical symposiums which will help stimulate further medical research into this disease. Since there is no cure for this disease, we must improve biomedical research to determine the causes of this disease, effective treatment methodologies, and one day a cure.

Parkinson's disease is a disorder of the nervous system which affects more than 1,500,000 people throughout our Nation. I am personally aware of the effects of Parkinson's disease, as I have watched my very good friend and one of this country's most respected elected officials, Congressman Mo Udall, valiantly battle the effects of this disease.

Mr. President, I think we can all agree that this measure is in the best interest of this Nation and will play a vital role in the fight against Parkinson's disease. I hope that my colleagues will join me in working together to pass this joint resolution and ensure that National Parkinson Disease Awareness Week is a success in promoting public awareness and the fight against this disease.

Mr. President, I ask unanimous consent that the joint resolution and a letter from the American Parkinson Disease Awareness Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### S.J. RES. 175

Whereas Parkinson's Disease is a chronic neurologic, crippling disorder of the nervous system; and

Whereas Parkinson's Disease affects more than 1,500,000 people of all ages in the United States and millions more around the world; and

Whereas no cure is available at this time, but extensive research in laboratories throughout the world has led to improved treatment in alleviating symptoms while searching for a cure; and

Whereas Parkinson support groups, chapters, and information and referral centers across America are dedicated to developing understanding of this disease and community awareness of Parkinson's Disease by promoting discussions, mutual sharing, and support among patients and family members and by sponsoring educational and medical symposiums that help stimulate research: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the week beginning June 13, is hereby designated as "National Parkinson's Disease Awareness Week." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

THE AMERICAN PARKINSON DISEASE  
ASSOCIATION, INC.,  
Washington, DC, March 23, 1994.

Hon. JOHN MCCAIN,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR MCCAIN: The American Parkinson Disease Association and the more than 1 million people who suffer from Parkinson's Disease thank you for sponsoring legislation that would establish the week of June 13, 1994 as National Parkinson Disease Awareness Week.

As you know, Parkinson's Disease is a long term debilitating neurological disorder which unfortunately, has no cure. Several national organizations are dedicated to developing a greater understanding of Parkin-

son's Disease by funding research, sponsoring educational programs and medical symposiums, and raising public awareness. Until there is a cure for Parkinson's Disease, our work will continue.

Establishing National Parkinson Disease Awareness Week will help focus national attention on the important need for Parkinson's Disease research and greater public awareness while we all work toward the ultimate goal—a cure for Parkinson's Disease.

Thank You.

Sincerely,

PAUL C. SMEDBERG.♦

#### ADDITIONAL COSPONSORS

S. 21

At the request of Mrs. FEINSTEIN, the names of the Senator from Louisiana [Mr. BREAU], the Senator from Arkansas [Mr. BUMPERS], the Senator from Connecticut [Mr. DODD], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 21, a bill to designate certain lands in the California Desert as wilderness, to establish Death Valley, Joshua Tree, and Mojave National Parks, and for other purposes.

S. 70

At the request of Mr. COCHRAN, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 70, a bill to reauthorize the National Writing Project, and for other purposes.

S. 439

At the request of Mr. COATS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 439, a bill to amend the Solid Waste Disposal Act to permit Governors to limit the disposal of out-of-State solid waste in their States, and for other purposes.

S. 455

At the request of Mr. HATFIELD, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 455, a bill to amend title 31, United States Code, to increase Federal payments to units of general local government for entitlement lands, and for other purposes.

S. 542

At the request of Mr. PRYOR, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 542, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights.

S. 1329

At the request of Mr. D'AMATO, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1329, a bill to provide for an investigation of the whereabouts of the United States citizens and others who have been missing from Cyprus since 1974.

S. 1354

At the request of Mrs. KASSEBAUM, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1354, a bill to amend the



Fair Labor Standards Act of 1938 relating to the minimum wage and overtime exemption for employees subject to certain leave policies, and for other purposes.

S. 1541

At the request of Mr. COVERDELL, the names of the Senator from Montana [Mr. BURNS], the Senator from Idaho [Mr. CRAIG], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1541, a bill to provide that a nongovernmental person may use a private express carriage of certain letters and packets without being penalized by the Postal Service, and for other purposes.

S. 1576

At the request of Mr. COATS, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1576, a bill to provide a tax credit for families, to provide certain tax incentives to encourage investment and increase savings, and to place limitations on the growth of spending.

S. 1669

At the request of Mrs. HUTCHISON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1669, a bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

S. 1787

At the request of Mr. MCCONNELL, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1787, a bill to amend the Internal Revenue Code of 1986 to provide for the tax-free treatment of education savings accounts established through certain State programs, and for other purposes.

S. 1805

At the request of Mr. WARNER, the names of the Senator from Rhode Island [Mr. PELL], the Senator from New Hampshire [Mr. GREGG], and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 1805, a bill to amend title 10, United States Code, to eliminate the disparity between the periods of delay provided for civilian and military retiree cost-of-living adjustments in the Omnibus Budget Reconciliation Act of 1993.

S. 1815

At the request of Mr. DOLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1815, a bill to authorize matching funds for State and local firearm buy-back programs.

S. 1836

At the request of Mr. DOLE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1836, a bill for the relief of John Mitchell.

S. 1842

At the request of Mr. CAMPBELL, the name of the Senator from Wyoming

[Mr. WALLOP] was added as a cosponsor of S. 1842, a bill to amend title 23, United States Code, to exempt a State from certain penalties for failing to meet requirements relating to motorcycle helmet laws if the State has in effect a motorcycle safety program, and to delay the effective date of certain penalties for States that fail to meet certain requirements for motorcycle safety and passenger vehicle safety laws, and for other purposes.

S. 1948

At the request of Mr. DECONCINI, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1948, a bill to amend the National Security Act of 1947 to improve the counterintelligence and security posture of the U.S. intelligence community and to enhance the investigative authority of the Federal Bureau of Investigation in counterintelligence matters, and for other purposes.

## SENATE JOINT RESOLUTION 159

At the request of Mr. DODD, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Mississippi [Mr. COCHRAN], the Senator from Arizona [Mr. DECONCINI], the Senator from Tennessee [Mr. MATHEWS], the Senator from Idaho [Mr. CRAIG], the Senator from Ohio [Mr. METZENBAUM], the Senator from Hawaii [Mr. INOUE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Michigan [Mr. LEVIN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 159, a joint resolution to designate the period commencing on February 14, 1994, and ending on February 20, 1994, as "Children of Alcoholics Week".

## SENATE JOINT RESOLUTION 172

At the request of Mr. DOLE, the names of the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Virginia [Mr. WARNER], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Joint Resolution 172, A joint resolution designating May 30, 1994, through June 6, 1994, as a "Time for the National Observance of the Fiftieth Anniversary of World War II".

## SENATE RESOLUTION 185

At the request of Mr. D'AMATO, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Colorado [Mr. BROWN], the Senator from Nevada [Mr. REID], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Resolution 185, a resolution to congratulate Phil Rizzutto on his induction into the Baseball Hall of Fame.

## AMENDMENTS SUBMITTED

CONGRESSIONAL BUDGET  
CONCURRENT RESOLUTIONDOMENICI (AND OTHERS)  
AMENDMENT NO. 1560

Mr. DOMENICI (for himself, Mr. DOLE, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. BOND, Mr. LOTT, Mr. BROWN, Mr. GORTON, and Mr. GREGG) proposed an amendment to the concurrent resolution (S. Con. Res. 63) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE  
BUDGET FOR FISCAL YEAR 1995.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1995.

## TITLE I—LEVELS AND AMOUNTS

Sec. 2. Recommended levels and amounts.  
Sec. 3. Debt increase as a measure of deficit.  
Sec. 4. Display of Federal Retirement Trust Fund balances.  
Sec. 5. Social Security.  
Sec. 6. Major functional categories.

TITLE II—BUDGETARY RESTRAINTS AND  
RULEMAKING

Sec. 21. Pay-as-you-go point of order.  
Sec. 22. Deficit-neutral reserve fund in the Senate.  
Sec. 23. Social Security fire wall point of order in the Senate.  
Sec. 24. Exercise of rulemaking powers.

TITLE III—SENSE OF THE CONGRESS  
AND THE SENATE

Sec. 31. Sense of the Senate regarding discretionary spending limits.  
Sec. 32. Sense of the Congress regarding the budgetary accounting of health care reform.  
Sec. 33. Sense of the Congress regarding unfunded mandates.  
Sec. 34. Sense of the Congress regarding baselines.  
Sec. 35. Sense of the Congress regarding the sale of Government assets.  
Sec. 36. Sense of the Senate regarding scoring of emergency legislation.

## TITLE I—LEVELS AND AMOUNTS

## SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1995, 1996, 1997, 1998, and 1999:

(1) FEDERAL REVENUES.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: \$972,400,000,000.  
 Fiscal year 1996: \$1,007,600,000,000.  
 Fiscal year 1997: \$1,062,900,000,000.  
 Fiscal year 1998: \$1,117,900,000,000.  
 Fiscal year 1999: \$1,165,600,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: —\$5,300,000,000.  
 Fiscal year 1996: —\$23,600,000,000.  
 Fiscal year 1997: —\$16,800,000,000.  
 Fiscal year 1998: —\$18,500,000,000.  
 Fiscal year 1999: —\$24,500,000,000.

(iii) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1995: \$100,300,000,000.  
 Fiscal year 1996: \$106,300,000,000.  
 Fiscal year 1997: \$111,900,000,000.  
 Fiscal year 1998: \$117,800,000,000.  
 Fiscal year 1999: \$123,700,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund)—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: \$872,100,000,000.  
 Fiscal year 1996: \$901,300,000,000.  
 Fiscal year 1997: \$951,000,000,000.  
 Fiscal year 1998: \$1,000,100,000,000.  
 Fiscal year 1999: \$1,041,900,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: —\$5,300,000,000.  
 Fiscal year 1996: —\$23,600,000,000.  
 Fiscal year 1997: —\$16,800,000,000.  
 Fiscal year 1998: —\$18,500,000,000.  
 Fiscal year 1999: —\$24,500,000,000.

(2) NEW BUDGET AUTHORITY.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1995: \$1,206,800,000,000.  
 Fiscal year 1996: \$1,250,400,000,000.  
 Fiscal year 1997: \$1,301,300,000,000.  
 Fiscal year 1998: \$1,365,100,000,000.  
 Fiscal year 1999: \$1,419,500,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995: \$1,093,900,000,000.  
 Fiscal year 1996: \$1,128,300,000,000.  
 Fiscal year 1997: \$1,168,600,000,000.  
 Fiscal year 1998: \$1,220,500,000,000.  
 Fiscal year 1999: \$1,260,700,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: \$1,196,000,000,000.  
 Fiscal year 1996: \$1,222,300,000,000.  
 Fiscal year 1997: \$1,273,600,000,000.  
 Fiscal year 1998: \$1,316,200,000,000.  
 Fiscal year 1999: \$1,365,000,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: \$1,084,200,000,000.  
 Fiscal year 1996: \$1,101,500,000,000.  
 Fiscal year 1997: \$1,142,200,000,000.  
 Fiscal year 1998: \$1,173,100,000,000.

Fiscal year 1999: \$1,208,100,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995: \$223,600,000,000.  
 Fiscal year 1996: \$214,700,000,000.  
 Fiscal year 1997: \$210,700,000,000.  
 Fiscal year 1998: \$198,300,000,000.  
 Fiscal year 1999: \$199,400,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: \$212,100,000,000.  
 Fiscal year 1996: \$200,200,000,000.  
 Fiscal year 1997: \$191,200,000,000.  
 Fiscal year 1998: \$173,000,000,000.  
 Fiscal year 1999: \$166,200,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: \$4,957,800,000,000.  
 Fiscal year 1996: \$5,259,000,000,000.  
 Fiscal year 1997: \$5,555,600,000,000.  
 Fiscal year 1998: \$5,841,600,000,000.  
 Fiscal year 1999: \$6,125,000,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: \$16,500,000,000.  
 Fiscal year 1996: \$22,500,000,000.  
 Fiscal year 1997: \$24,200,000,000.  
 Fiscal year 1998: \$26,200,000,000.  
 Fiscal year 1999: \$28,000,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: \$168,700,000,000.  
 Fiscal year 1996: \$158,500,000,000.  
 Fiscal year 1997: \$155,800,000,000.  
 Fiscal year 1998: \$155,000,000,000.  
 Fiscal year 1999: \$153,100,000,000.

### SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: \$300,448,000,000.  
 Fiscal year 1996: \$301,115,000,000.  
 Fiscal year 1997: \$296,686,000,000.  
 Fiscal year 1998: \$285,993,000,000.  
 Fiscal year 1999: \$283,392,000,000.

### SEC. 4. DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES.

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: \$1,161,100,000,000.  
 Fiscal year 1996: \$1,275,200,000,000.  
 Fiscal year 1997: \$1,396,900,000,000.  
 Fiscal year 1998: \$1,524,200,000,000.  
 Fiscal year 1999: \$1,651,300,000,000.

### SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: \$360,500,000,000.  
 Fiscal year 1996: \$379,600,000,000.  
 Fiscal year 1997: \$399,000,000,000.  
 Fiscal year 1998: \$419,500,000,000.  
 Fiscal year 1999: \$439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: \$287,600,000,000.  
 Fiscal year 1996: \$301,300,000,000.  
 Fiscal year 1997: \$312,300,000,000.  
 Fiscal year 1998: \$324,400,000,000.  
 Fiscal year 1999: \$337,000,000,000.

### SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:

(A) New budget authority, \$263,700,000,000.

(B) Outlays, \$270,700,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$500,000,000.

Fiscal year 1996:

(A) New budget authority, \$258,600,000,000.

(B) Outlays, \$263,700,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$500,000,000.

Fiscal year 1997:

(A) New budget authority, \$256,400,000,000.

(B) Outlays, \$260,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$500,000,000.

Fiscal year 1998:

(A) New budget authority, \$264,300,000,000.

(B) Outlays, \$262,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$500,000,000.

Fiscal year 1999:

(A) New budget authority, \$271,800,000,000.

(B) Outlays, \$263,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$500,000,000.

(2) International Affairs (150):

Fiscal year 1995:

(A) New budget authority, \$15,400,000,000.

(B) Outlays, \$16,900,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$16,600,000,000.

Fiscal year 1996:

(A) New budget authority, \$13,500,000,000.

(B) Outlays, \$14,900,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$16,600,000,000.

Fiscal year 1997:

(A) New budget authority, \$13,500,000,000.

(B) Outlays, \$14,500,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$16,600,000,000.

Fiscal year 1998:

(A) New budget authority, \$13,300,000,000.

(B) Outlays, \$14,200,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$16,600,000,000.

Fiscal year 1999:

(A) New budget authority, \$13,600,000,000.

(B) Outlays, \$14,200,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$16,600,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:

(A) New budget authority, \$16,900,000,000.

(B) Outlays, \$17,000,000,000.



(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
(A) New budget authority, \$16,800,000,000.  
(B) Outlays, \$16,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$16,700,000,000.  
(B) Outlays, \$16,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$16,700,000,000.  
(B) Outlays, \$16,700,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$16,700,000,000.  
(B) Outlays, \$16,700,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

(4) Energy (270):  
Fiscal year 1995:  
(A) New budget authority, \$4,900,000,000.  
(B) Outlays, \$4,200,000,000.  
(C) New direct loan obligations, \$1,200,000,000.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
(A) New budget authority, \$4,800,000,000.  
(B) Outlays, \$4,200,000,000.  
(C) New direct loan obligations, \$1,200,000,000.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$4,400,000,000.  
(B) Outlays, \$3,600,000,000.  
(C) New direct loan obligations, \$1,200,000,000.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$4,200,000,000.  
(B) Outlays, \$2,900,000,000.  
(C) New direct loan obligations, \$1,200,000,000.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$1,800,000,000.  
(B) Outlays, \$700,000,000.  
(C) New direct loan obligations, \$1,200,000,000.  
(D) New primary loan guarantee commitments, \$0.

(5) Natural Resources and Environment (300):  
Fiscal year 1995:  
(A) New budget authority, \$19,500,000,000.  
(B) Outlays, \$20,400,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
(A) New budget authority, \$19,900,000,000.  
(B) Outlays, \$20,100,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$19,800,000,000.  
(B) Outlays, \$19,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$17,900,000,000.  
(B) Outlays, \$17,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

(A) New budget authority, \$17,900,000,000.  
(B) Outlays, \$17,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$18,000,000,000.  
(B) Outlays, \$18,000,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

(6) Agriculture (350):  
Fiscal year 1995:  
(A) New budget authority, \$12,700,000,000.  
(B) Outlays, \$11,900,000,000.  
(C) New direct loan obligations, \$1,000,000,000.  
(D) New primary loan guarantee commitments, \$6,200,000,000.

Fiscal year 1996:  
(A) New budget authority, \$11,500,000,000.  
(B) Outlays, \$10,200,000,000.  
(C) New direct loan obligations, \$1,000,000,000.  
(D) New primary loan guarantee commitments, \$6,200,000,000.

Fiscal year 1997:  
(A) New budget authority, \$11,800,000,000.  
(B) Outlays, \$10,400,000,000.  
(C) New direct loan obligations, \$1,000,000,000.  
(D) New primary loan guarantee commitments, \$6,200,000,000.

Fiscal year 1998:  
(A) New budget authority, \$11,900,000,000.  
(B) Outlays, \$10,700,000,000.  
(C) New direct loan obligations, \$1,000,000,000.  
(D) New primary loan guarantee commitments, \$6,200,000,000.

Fiscal year 1999:  
(A) New budget authority, \$12,200,000,000.  
(B) Outlays, \$11,000,000,000.  
(C) New direct loan obligations, \$1,000,000,000.  
(D) New primary loan guarantee commitments, \$6,200,000,000.

(7) Commerce and Housing Credit (370):  
Fiscal year 1995:  
(A) New budget authority, \$5,600,000,000.  
(B) Outlays, -\$9,800,000,000.  
(C) New direct loan obligations, \$2,700,000,000.  
(D) New primary loan guarantee commitments, \$90,500,000,000.

Fiscal year 1996:  
(A) New budget authority, \$3,100,000,000.  
(B) Outlays, -\$12,600,000,000.  
(C) New direct loan obligations, \$2,700,000,000.  
(D) New primary loan guarantee commitments, \$90,500,000,000.

Fiscal year 1997:  
(A) New budget authority, \$2,400,000,000.  
(B) Outlays, -\$5,700,000,000.  
(C) New direct loan obligations, \$2,700,000,000.  
(D) New primary loan guarantee commitments, \$90,500,000,000.

Fiscal year 1998:  
(A) New budget authority, \$2,100,000,000.  
(B) Outlays, -\$5,800,000,000.  
(C) New direct loan obligations, \$2,700,000,000.  
(D) New primary loan guarantee commitments, \$90,500,000,000.

Fiscal year 1999:  
(A) New budget authority, \$2,000,000,000.  
(B) Outlays, -\$4,900,000,000.  
(C) New direct loan obligations, \$2,700,000,000.  
(D) New primary loan guarantee commitments, \$90,500,000,000.

(8) Transportation (400):

Fiscal year 1995:  
(A) New budget authority, \$31,300,000,000.  
(B) Outlays, \$33,400,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
(A) New budget authority, \$32,000,000,000.  
(B) Outlays, \$33,400,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
(A) New budget authority, \$33,300,000,000.  
(B) Outlays, \$33,200,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
(A) New budget authority, \$34,900,000,000.  
(B) Outlays, \$33,000,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
(A) New budget authority, \$35,500,000,000.  
(B) Outlays, \$32,800,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.

(9) Community and Regional Development (450):  
Fiscal year 1995:  
(A) New budget authority, \$7,700,000,000.  
(B) Outlays, \$9,200,000,000.  
(C) New direct loan obligations, \$2,000,000,000.  
(D) New primary loan guarantee commitments, \$2,400,000,000.

Fiscal year 1996:  
(A) New budget authority, \$7,800,000,000.  
(B) Outlays, \$7,300,000,000.  
(C) New direct loan obligations, \$2,000,000,000.  
(D) New primary loan guarantee commitments, \$2,400,000,000.

Fiscal year 1997:  
(A) New budget authority, \$7,900,000,000.  
(B) Outlays, \$8,100,000,000.  
(C) New direct loan obligations, \$2,000,000,000.  
(D) New primary loan guarantee commitments, \$2,400,000,000.

Fiscal year 1998:  
(A) New budget authority, \$8,000,000,000.  
(B) Outlays, \$8,200,000,000.  
(C) New direct loan obligations, \$2,000,000,000.  
(D) New primary loan guarantee commitments, \$2,400,000,000.

Fiscal year 1999:  
(A) New budget authority, \$8,100,000,000.  
(B) Outlays, \$8,100,000,000.  
(C) New direct loan obligations, \$2,000,000,000.  
(D) New primary loan guarantee commitments, \$2,400,000,000.

(10) Education, Training, Employment, and Social Services (500):  
Fiscal year 1995:  
(A) New budget authority, \$50,500,000,000.  
(B) Outlays, \$51,200,000,000.  
(C) New direct loan obligations, \$5,500,000,000.  
(D) New primary loan guarantee commitments, \$19,200,000,000.

Fiscal year 1996:  
(A) New budget authority, \$49,400,000,000.  
(B) Outlays, \$48,200,000,000.  
(C) New direct loan obligations, \$11,500,000,000.  
(D) New primary loan guarantee commitments, \$14,400,000,000.

Fiscal year 1997:

(A) New budget authority, \$49,700,000,000.  
 (B) Outlays, \$48,600,000,000.  
 (C) New direct loan obligations, \$13,200,000,000.  
 (D) New primary loan guarantee commitments, \$13,600,000,000.  
 Fiscal year 1998:  
 (A) New budget authority, \$50,500,000,000.  
 (B) Outlays, \$49,700,000,000.  
 (C) New direct loan obligations, \$15,100,000,000.  
 (D) New primary loan guarantee commitments, \$12,700,000,000.  
 Fiscal year 1999:  
 (A) New budget authority, \$50,900,000,000.  
 (B) Outlays, \$50,100,000,000.  
 (C) New direct loan obligations, \$16,800,000,000.  
 (D) New primary loan guarantee commitments, \$11,600,000,000.  
 (11) Health (550):  
 Fiscal year 1995:  
 (A) New budget authority, \$119,400,000,000.  
 (B) Outlays, \$118,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$400,000,000.  
 Fiscal year 1996:  
 (A) New budget authority, \$124,800,000,000.  
 (B) Outlays, \$123,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$500,000,000.  
 Fiscal year 1997:  
 (A) New budget authority, \$132,800,000,000.  
 (B) Outlays, \$131,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$500,000,000.  
 Fiscal year 1998:  
 (A) New budget authority, \$141,800,000,000.  
 (B) Outlays, \$140,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$500,000,000.  
 Fiscal year 1999:  
 (A) New budget authority, \$151,300,000,000.  
 (B) Outlays, \$150,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$500,000,000.  
 (12) Medicare (570):  
 Fiscal year 1995:  
 (A) New budget authority, \$162,400,000,000.  
 (B) Outlays, \$154,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$180,400,000,000.  
 (B) Outlays, \$167,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$198,400,000,000.  
 (B) Outlays, \$181,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$217,600,000,000.  
 (B) Outlays, \$194,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$242,100,000,000.  
 (B) Outlays, \$210,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:

Fiscal year 1995:  
 (A) New budget authority, \$49,500,000,000.  
 (B) Outlays, \$42,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$58,300,000,000.  
 (B) Outlays, \$47,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$65,700,000,000.  
 (B) Outlays, \$49,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$73,000,000,000.  
 (B) Outlays, \$51,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$83,300,000,000.  
 (B) Outlays, \$53,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (14) Income Security (600):  
 Fiscal year 1995:  
 (A) New budget authority, \$216,600,000,000.  
 (B) Outlays, \$217,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$224,400,000,000.  
 (B) Outlays, \$222,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$235,500,000,000.  
 (B) Outlays, \$233,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$251,600,000,000.  
 (B) Outlays, \$242,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$252,000,000,000.  
 (B) Outlays, \$210,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (15) Social Security (650):  
 Fiscal year 1995:  
 (A) New budget authority, \$6,800,000,000.  
 (B) Outlays, \$6,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$6,300,000,000.  
 (B) Outlays, \$6,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$8,300,000,000.  
 (B) Outlays, \$8,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$9,000,000,000.  
 (B) Outlays, \$9,000,000,000.  
 (C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$9,800,000,000.  
 (B) Outlays, \$9,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (16) Veterans Benefits and Services (700):  
 Fiscal year 1995:  
 (A) New budget authority, \$36,400,000,000.  
 (B) Outlays, \$36,200,000,000.  
 (C) New direct loan obligations, \$1,300,000,000.  
 (D) New primary loan guarantee commitments, \$32,900,000,000.  
 Fiscal year 1996:  
 (A) New budget authority, \$36,200,000,000.  
 (B) Outlays, \$34,800,000,000.  
 (C) New direct loan obligations, \$1,300,000,000.  
 (D) New primary loan guarantee commitments, \$27,400,000,000.  
 Fiscal year 1997:  
 (A) New budget authority, \$36,300,000,000.  
 (B) Outlays, \$36,200,000,000.  
 (C) New direct loan obligations, \$1,300,000,000.  
 (D) New primary loan guarantee commitments, \$25,500,000,000.  
 Fiscal year 1998:  
 (A) New budget authority, \$36,300,000,000.  
 (B) Outlays, \$36,200,000,000.  
 (C) New direct loan obligations, \$1,400,000,000.  
 (D) New primary loan guarantee commitments, \$25,600,000,000.  
 Fiscal year 1999:  
 (A) New budget authority, \$37,000,000,000.  
 (B) Outlays, \$37,100,000,000.  
 (C) New direct loan obligations, \$1,500,000,000.  
 (D) New primary loan guarantee commitments, \$25,300,000,000.  
 (17) Administration of Justice (750):  
 Fiscal year 1995:  
 (A) New budget authority, \$17,700,000,000.  
 (B) Outlays, \$16,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$19,800,000,000.  
 (B) Outlays, \$17,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$20,800,000,000.  
 (B) Outlays, \$19,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$21,800,000,000.  
 (B) Outlays, \$21,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$23,100,000,000.  
 (B) Outlays, \$22,100,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (18) General Government (800):  
 Fiscal year 1995:  
 (A) New budget authority, \$12,800,000,000.  
 (B) Outlays, \$13,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$12,500,000,000.



(B) Outlays, \$12,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, \$12,000,000,000.  
 (B) Outlays, \$11,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, \$11,300,000,000.  
 (B) Outlays, \$10,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, \$10,600,000,000.  
 (B) Outlays, \$9,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

(19) Net Interest (900):  
 Fiscal year 1995:  
 (A) New budget authority, \$246,500,000,000.  
 (B) Outlays, \$246,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
 (A) New budget authority, \$265,000,000,000.  
 (B) Outlays, \$265,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, \$277,800,000,000.  
 (B) Outlays, \$277,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, \$289,600,000,000.  
 (B) Outlays, \$289,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, \$301,700,000,000.  
 (B) Outlays, \$301,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

(20) For purposes of section 710 of the Social Security Act, Net Interest (900):  
 Fiscal year 1995:  
 (A) New budget authority, \$257,000,000,000.  
 (B) Outlays, \$257,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
 (A) New budget authority, \$275,700,000,000.  
 (B) Outlays, \$275,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, \$288,600,000,000.  
 (B) Outlays, \$288,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, \$300,200,000,000.  
 (B) Outlays, \$300,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, \$311,500,000,000.  
 (B) Outlays, \$311,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

(21) The corresponding levels of gross interest on the public debt are as follows:  
 Fiscal year 1995: \$311,200,000,000.  
 Fiscal year 1996: \$328,800,000,000.  
 Fiscal year 1997: \$342,200,000,000.  
 Fiscal year 1998: \$355,300,000,000.  
 Fiscal year 1999: \$369,000,000,000.

(22) Allowances (920):  
 Fiscal year 1995:  
 (A) New budget authority, -\$3,700,000,000.  
 (B) Outlays, -\$2,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
 (A) New budget authority, -\$5,800,000,000.  
 (B) Outlays, -\$4,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, -\$5,800,000,000.  
 (B) Outlays, -\$5,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, -\$6,000,000,000.  
 (B) Outlays, -\$5,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, -\$6,400,000,000.  
 (B) Outlays, -\$6,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

(23) Undistributed Offsetting Receipts (950):  
 Fiscal year 1995:  
 (A) New budget authority, -\$36,300,000,000.  
 (B) Outlays, -\$36,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
 (A) New budget authority, -\$30,600,000,000.  
 (B) Outlays, -\$30,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, -\$30,700,000,000.  
 (B) Outlays, -\$30,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, -\$31,700,000,000.  
 (B) Outlays, -\$31,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, -\$32,300,000,000.  
 (B) Outlays, -\$32,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):  
 Fiscal year 1995:  
 (A) New budget authority, -\$33,700,000,000.  
 (B) Outlays, -\$33,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:  
 (A) New budget authority, -\$27,400,000,000.  
 (B) Outlays, -\$27,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:  
 (A) New budget authority, -\$28,000,000,000.  
 (B) Outlays, -\$28,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:  
 (A) New budget authority, -\$28,800,000,000.  
 (B) Outlays, -\$28,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:  
 (A) New budget authority, -\$29,200,000,000.  
 (B) Outlays, -\$29,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.

## TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

### SEC. 21. PAY-AS-YOU-GO POINT OF ORDER.

(a) ENFORCING PAY-AS-YOU-GO.—  
 (1) THIS RESOLUTION.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would increase the deficit in this resolution for any fiscal year through fiscal year 1999 or would increase the deficit for any other fiscal year through fiscal year 2004, as measured by the sum of—  
 (1) all applicable estimates of direct spending and receipts legislation applicable to that fiscal year, other than any amounts resulting from—  
 (A) full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990; and  
 (B) emergency provisions as designated under section 252(e) of that Act; and  
 (2) the estimated amount of savings in direct spending programs applicable to that fiscal year resulting from the prior year's sequestration under that Act, if any (except for any amounts sequestered as a result of a net deficit increase in the fiscal year immediately preceding the prior fiscal year).

(b) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

### SEC. 22. DEFICIT-NEUTRAL RESERVE FUND IN THE SENATE.

(a) WELFARE REFORM RESERVE FUND.—  
 (1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for legislation that increases funding to make improvements in welfare systems within such a committee's jurisdiction if the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—  
 (A) fiscal year 1995; or  
 (B) the period of fiscal years 1995 through 1999.

(2) **REVISED ALLOCATIONS.**—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate shall file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels to carry out this subsection. These revised allocations and functional levels shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and functional levels contained in this concurrent resolution on the budget.

(3) **REPORTING REVISED ALLOCATIONS.**—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(b) **HEALTH CARE REFORM.**—

(1) **IN GENERAL.**—Budget authority and outlays may be allocated to a committee or committees for legislation to provide for health care reform within such a committee's jurisdiction if the enactment of such legislation (including proposed amendments to such legislation) will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) **REVISED ALLOCATIONS.**—Upon the reporting of legislation pursuant to paragraph (1), the offering of amendments to such legislation, and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate shall file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) **REPORTING REVISED ALLOCATIONS.**—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(c) **OFFSETTING REVENUE LOSSES ASSOCIATED WITH GATT.**—

(1) **IN GENERAL.**—Revenue aggregates may be reduced for legislation that reduces revenues by implementing the general agreement on tariffs and trade GATT agreement and other trade-related legislation within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) **REVISED ALLOCATIONS.**—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a con-

ference report is submitted), the Chairman of the Committee on the Budget of the Senate shall file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) **REPORTING REVISED ALLOCATIONS.**—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(d) **BUDGET COMMITTEE APPROVAL OF MAJOR RESERVE FUND ADJUSTMENTS.**—

(1) **THRESHOLD.**—Except as provided in paragraph (2), no adjustments shall be made pursuant to this section if legislation would cause—

(A) a change in outlays or a change in revenues of more than \$1,000,000,000 for fiscal year 1995; or

(B) a change in outlays or a change in revenues of more than \$10,000,000,000 for the period of fiscal years 1995 through 1999.

(2) **COMMITTEE APPROVAL.**—Any change exceeding the levels provided for in paragraph (1) shall only be made with the approval of the Committee on the Budget of the Senate.

#### SEC. 23. SOCIAL SECURITY FIRE WALL POINT OF ORDER IN THE SENATE.

APPLICATION OF SECTION 301(i).—Notwithstanding any other rule of the Senate, in the Senate, the point of order established under section 301(i) of the Congressional Budget Act of 1974 shall apply to any concurrent resolution on the budget for any fiscal year (as reported and as amended), amendments thereto, or any conference report thereon.

#### SEC. 24. EXERCISE OF RULEMAKING POWERS.

The Senate adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change those rules (so far as they relate to the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

#### TITLE III—SENSE OF THE CONGRESS AND THE SENATE

##### SEC. 31. SENSE OF THE SENATE REGARDING DISCRETIONARY SPENDING LIMITS.

It is the sense of the Senate that legislation should be enacted modifying the discretionary spending limits as follows:

(a) **DEFINITION.**—As used in this section, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1995—

(A) for the defense category \$264,165,000,000 in new budget authority and \$271,087,000,000 in outlays; and

(B) for the nondefense category \$217,407,000,000 in new budget authority and \$257,612,000,000 in outlays;

(2) with respect to fiscal year 1996—

(A) for the defense category \$259,173,000,000 in new budget authority and \$264,264,000,000 in outlays; and

(B) for the nondefense category \$222,462,000,000 in new budget authority and \$253,664,000,000 in outlays;

(3) with respect to fiscal year 1997—

(A) for the defense category \$256,969,000,000 in new budget authority and \$260,872,000,000 in outlays; and

(B) for the nondefense category \$222,369,000,000 in new budget authority and \$253,338,000,000 in outlays;

(4) with respect to fiscal year 1998, \$495,278,000,000 in new budget authority and \$514,846,000,000 in outlays; and

(5) with respect to fiscal year 1999, \$493,666,000,000 in new budget authority and \$516,116,000,000 in outlays;

as adjusted for changes in concepts and definitions, changes in inflation, and emergency appropriations.

(b) **POINT OF ORDER IN THE SENATE.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), it shall not be in order in the Senate to consider any concurrent resolution on the budget for fiscal year 1996, 1997, 1998, or 1999 (or amendment, motion, or conference report on such a resolution) or any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1995, 1996, 1997, 1998, or 1999 that would exceed any of the discretionary spending limits in this section.

(2) **EXCEPTION.**—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(c) **WAIVER.**—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) **APPEALS.**—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) **DETERMINATION OF BUDGET LEVELS.**—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate or the Committee on the Budget of the House of Representatives, as the case may be.

##### SEC. 32. SENSE OF THE CONGRESS REGARDING THE BUDGETARY ACCOUNTING OF HEALTH CARE REFORM.

It is the sense of the Congress that—

(1) the Congress should measure the costs and benefits of all health care reform legislation against a uniform set of economic and technical assumptions;

(2) before enacting major changes in the health care system, the Congress should have available to it reliable estimates of the costs of competing plans prepared in a comparable manner;

(3) Congress should use Congressional Budget Office estimates in accounting for the costs and benefits of health care reform legislation; and

(4) all financial transactions associated with Federal health care reform legislation mandating employer payments for health care coverage should be treated as part of the Federal budget, including employer mandated payments to entities (which should be treated as Government receipts) and pay-



ments made by the entities pursuant to Federal law (which should be treated as outlays), for all purposes under the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985.

#### SEC. 33. SENSE OF THE CONGRESS REGARDING UNFUNDED MANDATES.

It is the sense of Congress that—

(1) the Federal Government should not shift the costs of administering Federal programs to State and local governments;

(2) the Federal Government's share of entitlement programs should not be capped or otherwise decreased without providing States authority to amend their financial or programmatic responsibilities to continue meeting the mandated service;

(3) the Federal Government should not impose excessive mandates and regulations that increase costs for the private sector, hindering economic growth and employment opportunities; and

(4) Congress should develop a mechanism to ensure that the costs of mandates are considered during agencies development of regulations and Congressional deliberations on legislation.

#### SEC. 34. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baselines budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baselines budgeting has given rise to the practice of calculating policy changes from an inflated spending level; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

#### SEC. 35. SENSE OF THE CONGRESS REGARDING THE SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) from time to time the United States Government should sell assets; and

(2) the amounts realized from such asset sales should be scored with respect to the level of budget authority, outlays, or revenues.

(b) DEFINITIONS.—For purposes of this section, the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Budget Enforcement Act of 1990).

#### SEC. 36. SENSE OF THE SENATE REGARDING SCORING OF EMERGENCY LEGISLATION.

It is the sense of the Senate that notwithstanding any other rule of the Senate, in the Senate, determinations under sections 302, 303, and 311 of the Congressional Budget Act of 1974 should take into account any new budget authority, new entitlement authority, outlays, receipts, or deficit effects in any fiscal year for legislation that is designated as an emergency under sections 251(b)(1)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

#### DODD (AND OTHERS) AMENDMENT NO. 1561

Mr. DODD (for himself, Mr. JEFFORDS, Mr. WELLSTONE, Ms. MOSELEY-

BRAUN, and Mr. HARKIN) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

On page 24, line 17, increase the amount by \$6 billion.

On page 24, line 18, increase the amount by \$0.7 billion.

On page 24, line 25, increase the amount by \$5.5 billion.

On page 25, line 1, increase the amount by \$4.7 billion.

On page 25, line 8, increase the amount by \$5 billion.

On page 25, line 9, increase the amount by \$5.4 billion.

On page 25, line 16, increase the amount by \$6.5 billion.

On page 25, line 17, increase the amount by \$5.3 billion.

On page 25, line 24, increase the amount by \$7.5 billion.

On page 25, line 25, increase the amount by \$6.3 billion.

On page 10, line 3, decrease the amount by \$1 billion.

On page 10, line 4, decrease the amount by \$0.5 billion.

On page 10, line 10, decrease the amount by \$1.6 billion.

On page 10, line 11, decrease the amount by \$1.2 billion.

On page 10, line 17, decrease the amount by \$2 billion.

On page 10, line 18, decrease the amount by \$1.7 billion.

On page 10, line 24, decrease the amount by \$2.4 billion.

On page 10, line 25, decrease the amount by \$2.2 billion.

On page 11, line 6, decrease the amount by \$2.5 billion.

On page 11, line 7, decrease the amount by \$2.4 billion.

On page 5, line 1, increase the amount by \$5 billion.

On page 5, line 2, increase the amount by \$3.9 billion.

On page 5, line 3, increase the amount by \$3 billion.

On page 5, line 4, increase the amount by \$4.1 billion.

On page 5, line 5, increase the amount by \$5 billion.

On page 5, line 11, increase the amount by \$5 billion.

On page 5, line 12, increase the amount by \$3.9 billion.

On page 5, line 13, increase the amount by \$3 billion.

On page 5, line 14, increase the amount by \$4.1 billion.

On page 5, line 15, increase the amount by \$5 billion.

On page 5, line 22, increase the amount by \$0.2 billion.

On page 5, line 23, increase the amount by \$3.5 billion.

On page 5, line 24, increase the amount by \$3.7 billion.

On page 5, line 25, increase the amount by \$3.1 billion.

On page 6, line 1, increase the amount by \$3.9 billion.

On page 6, line 7, increase the amount by \$0.2 billion.

On page 6, line 8, increase the amount by \$3.5 billion.

On page 6, line 9, increase the amount by \$3.7 billion.

On page 6, line 10, increase the amount by \$3.1 billion.

On page 6, line 11, increase the amount by \$3.9 billion.

On page 6, line 17, increase the amount by \$0.2 billion.

On page 6, line 18, increase the amount by \$3.5 billion.

On page 6, line 19, increase the amount by \$3.7 billion.

On page 6, line 20, increase the amount by \$3.1 billion.

On page 6, line 21, increase the amount by \$3.9 billion.

On page 7, line 1, increase the amount by \$0.2 billion.

On page 7, line 2, increase the amount by \$3.5 billion.

On page 7, line 3, increase the amount by \$3.7 billion.

On page 7, line 4, increase the amount by \$3.1 billion.

On page 7, line 5, increase the amount by \$3.9 billion.

On page 7, line 8, increase the amount by \$0.2 billion.

On page 7, line 9, increase the amount by \$3.7 billion.

On page 7, line 10, increase the amount by \$7.4 billion.

On page 7, line 11, increase the amount by \$10.5 billion.

On page 7, line 12, increase the amount by \$14.4 billion.

On page 8, line 7, increase the amount by \$0.2 billion.

On page 8, line 8, increase the amount by \$3.5 billion.

On page 8, line 9, increase the amount by \$3.7 billion.

On page 8, line 10, increase the amount by \$3.1 billion.

On page 8, line 11, increase the amount by \$3.7 billion.

On page 70, line 21, decrease the amount by \$3.9 billion.

On page 70, line 22, decrease the amount by \$3.5 billion.

On page 70, line 24, decrease the amount by \$3.0 billion.

On page 70, line 25, decrease the amount by \$3.7 billion.

On page 71, line 2, decrease the amount by \$4.1 billion.

On page 71, line 3, decrease the amount by \$3.1 billion.

#### BOXER (AND OTHERS) AMENDMENT NO. 1562

Mrs. BOXER (for herself, Mr. LEAHY, Mrs. FEINSTEIN, Mr. DORGAN, Ms. MOSELEY-BRAUN, Mr. WOFFORD, and Mr. LAUTENBERG) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

On page 17, line 22, increase the amount by \$180,000,000.

On page 17, line 23, increase the amount by \$180,000,000.

On page 24, line 17, increase the amount by \$320,000,000.

On page 24, line 18, increase the amount by \$48,000,000.

On page 25, line 1, increase the amount by \$171,000,000.

On page 25, line 9, increase the amount by \$99,000,000.

On page 25, line 17, increase the amount by \$2,000,000.

On page 26, line 8, increase the amount by \$400,000,000.

On page 26, line 9, increase the amount by \$180,000,000.

On page 26, line 16, increase the amount by \$178,000,000.

On page 26, line 23, increase the amount by \$42,000,000.

On page 30, line 20, increase the amount by \$100,000,000.

On page 30, line 21, increase the amount by \$91,000,000.

On page 31, line 3, increase the amount by \$9,000,000.

On page 41, line 11, decrease the amount by \$1,000,000,000.

On page 41, line 12, decrease the amount by \$499,000,000.

On page 41, line 19, decrease the amount by \$358,000,000.

On page 42, line 1, decrease the amount by \$141,000,000.

On page 42, line 8, decrease the amount by \$2,000,000.

#### LOTT AMENDMENT NO. 1563

Mr. LOTT proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 63, supra; as follows:

Notwithstanding any other provision of this resolution, the language beginning on page 5, line 1, through page 72, line 23, is null, void, and of no effect and the following shall apply:

Fiscal year 1995: \$1,247,700,000,000.

Fiscal year 1996: \$1,307,900,000,000.

Fiscal year 1997: \$1,373,900,000,000.

Fiscal year 1998: \$1,447,300,000,000.

Fiscal year 1999: \$1,508,700,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995: \$1,149,200,000,000.

Fiscal year 1996: \$1,202,300,000,000.

Fiscal year 1997: \$1,257,000,000,000.

Fiscal year 1998: \$1,315,000,000,000.

Fiscal year 1999: \$1,372,300,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: \$1,217,900,000,000.

Fiscal year 1996: \$1,288,500,000,000.

Fiscal year 1997: \$1,356,700,000,000.

Fiscal year 1998: \$1,413,700,000,000.

Fiscal year 1999: \$1,472,300,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: \$1,124,000,000,000.

Fiscal year 1996: \$1,188,600,000,000.

Fiscal year 1997: \$1,247,300,000,000.

Fiscal year 1998: \$1,295,400,000,000.

Fiscal year 1999: \$1,344,800,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995: \$240,200,000,000.

Fiscal year 1996: \$257,300,000,000.

Fiscal year 1997: \$277,000,000,000.

Fiscal year 1998: \$277,300,000,000.

Fiscal year 1999: \$282,100,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: \$248,200,000,000.

Fiscal year 1996: \$263,700,000,000.

Fiscal year 1997: \$279,500,000,000.

Fiscal year 1998: \$276,800,000,000.

Fiscal year 1999: \$278,300,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: \$4,965,200,000,000.

Fiscal year 1996: \$5,285,700,000,000.

Fiscal year 1997: \$5,622,300,000,000.

Fiscal year 1998: \$5,958,200,000,000.

Fiscal year 1999: \$6,289,700,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: \$26,700,000,000.

Fiscal year 1996: \$32,100,000,000.

Fiscal year 1997: \$33,800,000,000.

Fiscal year 1998: \$35,700,000,000.

Fiscal year 1999: \$37,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: \$199,700,000,000.

Fiscal year 1996: \$174,400,000,000.

Fiscal year 1997: \$164,600,000,000.

Fiscal year 1998: \$164,100,000,000.

Fiscal year 1999: \$163,500,000,000.

#### SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: \$308,300,000,000.

Fiscal year 1996: \$320,500,000,000.

Fiscal year 1997: \$336,600,000,000.

Fiscal year 1998: \$335,900,000,000.

Fiscal year 1999: \$331,400,000,000.

#### SEC. 4. DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES.

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: \$1,161,100,000,000.

Fiscal year 1996: \$1,275,200,000,000.

Fiscal year 1997: \$1,396,900,000,000.

Fiscal year 1998: \$1,524,200,000,000.

Fiscal year 1999: \$1,651,300,000,000.

#### SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: \$360,500,000,000.

Fiscal year 1996: \$379,600,000,000.

Fiscal year 1997: \$399,000,000,000.

Fiscal year 1998: \$419,500,000,000.

Fiscal year 1999: \$439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: \$287,600,000,000.

Fiscal year 1996: \$301,300,000,000.

Fiscal year 1997: \$312,300,000,000.

Fiscal year 1998: \$324,400,000,000.

Fiscal year 1999: \$337,000,000,000.

#### SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:

(A) New budget authority, \$263,800,000,000.

(B) Outlays, \$270,700,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$255,300,000,000.

(B) Outlays, \$261,000,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$252,000,000,000.

(B) Outlays, \$256,400,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$258,700,000,000.

(B) Outlays, \$256,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$265,100,000,000.

(B) Outlays, \$257,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(2) International Affairs (150):

Fiscal year 1995:

(A) New budget authority, \$19,300,000,000.

(B) Outlays, \$18,100,000,000.

(C) New direct loan obligations, \$3,200,000,000.

(D) New primary loan guarantee commitments, \$18,000,000,000.

Fiscal year 1996:

(A) New budget authority, \$17,200,000,000.

(B) Outlays, \$17,300,000,000.

(C) New direct loan obligations, \$2,800,000,000.

(D) New primary loan guarantee commitments, \$18,500,000,000.

Fiscal year 1997:

(A) New budget authority, \$17,000,000,000.

(B) Outlays, \$17,300,000,000.

(C) New direct loan obligations, \$2,600,000,000.

(D) New primary loan guarantee commitments, \$18,500,000,000.

Fiscal year 1998:

(A) New budget authority, \$16,800,000,000.

(B) Outlays, \$17,600,000,000.

(C) New direct loan obligations, \$2,400,000,000.

(D) New primary loan guarantee commitments, \$18,500,000,000.

Fiscal year 1999:

(A) New budget authority, \$17,000,000,000.

(B) Outlays, \$17,500,000,000.

(C) New direct loan obligations, \$2,400,000,000.

(D) New primary loan guarantee commitments, \$16,500,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:

(A) New budget authority, \$17,300,000,000.

(B) Outlays, \$17,200,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$17,200,000,000.

(B) Outlays, \$17,200,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$17,300,000,000.

(B) Outlays, \$17,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$17,400,000,000.

(B) Outlays, \$17,300,000,000.

(C) New direct loan obligations, \$0.



(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1999:  
(A) New budget authority, \$17,600,000,000.  
(B) Outlays, \$17,500,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(4) Energy (270):  
Fiscal year 1995:  
(A) New budget authority, \$6,300,000,000.  
(B) Outlays, \$5,000,000,000.  
(C) New direct loan obligations, \$1,400,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1996:  
(A) New budget authority, \$5,900,000,000.  
(B) Outlays, \$5,200,000,000.  
(C) New direct loan obligations, \$1,500,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1997:  
(A) New budget authority, \$5,900,000,000.  
(B) Outlays, \$5,000,000,000.  
(C) New direct loan obligations, \$1,500,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1998:  
(A) New budget authority, \$6,100,000,000.  
(B) Outlays, \$4,700,000,000.  
(C) New direct loan obligations, \$1,500,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1999:  
(A) New budget authority, \$5,200,000,000.  
(B) Outlays, \$3,900,000,000.  
(C) New direct loan obligations, \$1,500,000,000.  
(D) New primary loan guarantee commitments, \$0.  
(5) Natural Resources and Environment (300):  
Fiscal year 1995:  
(A) New budget authority, \$21,700,000,000.  
(B) Outlays, \$21,300,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1996:  
(A) New budget authority, \$22,200,000,000.  
(B) Outlays, \$21,500,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1997:  
(A) New budget authority, \$22,100,000,000.  
(B) Outlays, \$21,600,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1998:  
(A) New budget authority, \$22,000,000,000.  
(B) Outlays, \$21,500,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1999:  
(A) New budget authority, \$21,600,000,000.  
(B) Outlays, \$21,400,000,000.  
(C) New direct loan obligations, \$0.  
(D) New primary loan guarantee commitments, \$0.  
(6) Agriculture (350):  
Fiscal year 1995:  
(A) New budget authority, \$12,300,000,000.  
(B) Outlays, \$11,600,000,000.  
(C) New direct loan obligations, \$10,100,000,000.  
(D) New primary loan guarantee commitments, \$7,400,000,000.

Fiscal year 1996:  
(A) New budget authority, \$12,500,000,000.  
(B) Outlays, \$11,400,000,000.  
(C) New direct loan obligations, \$9,700,000,000.  
(D) New primary loan guarantee commitments, \$7,400,000,000.  
Fiscal year 1997:  
(A) New budget authority, \$13,000,000,000.  
(B) Outlays, \$11,700,000,000.  
(C) New direct loan obligations, \$9,700,000,000.  
(D) New primary loan guarantee commitments, \$7,400,000,000.  
Fiscal year 1998:  
(A) New budget authority, \$13,200,000,000.  
(B) Outlays, \$12,000,000,000.  
(C) New direct loan obligations, \$9,800,000,000.  
(D) New primary loan guarantee commitments, \$7,400,000,000.  
Fiscal year 1999:  
(A) New budget authority, \$13,700,000,000.  
(B) Outlays, \$12,500,000,000.  
(C) New direct loan obligations, \$9,900,000,000.  
(D) New primary loan guarantee commitments, \$7,400,000,000.  
(7) Commerce and Housing Credit (370):  
Fiscal year 1995:  
(A) New budget authority, \$7,700,000,000.  
(B) Outlays, -\$8,300,000,000.  
(C) New direct loan obligations, \$2,800,000,000.  
(D) New primary loan guarantee commitments, \$117,900,000,000.  
Fiscal year 1996:  
(A) New budget authority, \$5,300,000,000.  
(B) Outlays, -\$10,800,000,000.  
(C) New direct loan obligations, \$3,000,000,000.  
(D) New primary loan guarantee commitments, \$103,200,000,000.  
Fiscal year 1997:  
(A) New budget authority, \$5,100,000,000.  
(B) Outlays, -\$3,400,000,000.  
(C) New direct loan obligations, \$3,100,000,000.  
(D) New primary loan guarantee commitments, \$95,900,000,000.  
Fiscal year 1998:  
(A) New budget authority, \$5,200,000,000.  
(B) Outlays, -\$2,900,000,000.  
(C) New direct loan obligations, \$3,200,000,000.  
(D) New primary loan guarantee commitments, \$96,600,000,000.  
Fiscal year 1999:  
(A) New budget authority, \$6,200,000,000.  
(B) Outlays, -\$900,000,000.  
(C) New direct loan obligations, \$3,400,000,000.  
(D) New primary loan guarantee commitments, \$99,500,000,000.  
(8) Transportation (400):  
Fiscal year 1995:  
(A) New budget authority, \$42,900,000,000.  
(B) Outlays, \$38,800,000,000.  
(C) New direct loan obligations, \$100,000,000.  
(D) New primary loan guarantee commitments, \$500,000,000.  
Fiscal year 1996:  
(A) New budget authority, \$41,800,000,000.  
(B) Outlays, \$39,600,000,000.  
(C) New direct loan obligations, \$100,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1997:  
(A) New budget authority, \$43,200,000,000.  
(B) Outlays, \$40,100,000,000.  
(C) New direct loan obligations, \$100,000,000.

(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1998:  
(A) New budget authority, \$44,000,000,000.  
(B) Outlays, \$40,300,000,000.  
(C) New direct loan obligations, \$100,000,000.  
(D) New primary loan guarantee commitments, \$0.  
Fiscal year 1999:  
(A) New budget authority, \$44,500,000,000.  
(B) Outlays, \$40,400,000,000.  
(C) New direct loan obligations, \$100,000,000.  
(D) New primary loan guarantee commitments, \$0.  
(9) Community and Regional Development (450):  
Fiscal year 1995:  
(A) New budget authority, \$9,500,000,000.  
(B) Outlays, \$9,300,000,000.  
(C) New direct loan obligations, \$2,200,000,000.  
(D) New primary loan guarantee commitments, \$3,600,000,000.  
Fiscal year 1996:  
(A) New budget authority, \$9,000,000,000.  
(B) Outlays, \$8,900,000,000.  
(C) New direct loan obligations, \$2,200,000,000.  
(D) New primary loan guarantee commitments, \$3,600,000,000.  
Fiscal year 1997:  
(A) New budget authority, \$9,000,000,000.  
(B) Outlays, \$9,000,000,000.  
(C) New direct loan obligations, \$2,200,000,000.  
(D) New primary loan guarantee commitments, \$3,600,000,000.  
Fiscal year 1998:  
(A) New budget authority, \$9,000,000,000.  
(B) Outlays, \$9,100,000,000.  
(C) New direct loan obligations, \$2,200,000,000.  
(D) New primary loan guarantee commitments, \$3,600,000,000.  
Fiscal year 1999:  
(A) New budget authority, \$9,000,000,000.  
(B) Outlays, \$9,000,000,000.  
(C) New direct loan obligations, \$2,200,000,000.  
(D) New primary loan guarantee commitments, \$3,600,000,000.  
(10) Education, Training, Employment, and Social Services (500):  
Fiscal year 1995:  
(A) New budget authority, \$57,600,000,000.  
(B) Outlays, \$53,600,000,000.  
(C) New direct loan obligations, \$5,500,000,000.  
(D) New primary loan guarantee commitments, \$19,000,000,000.  
Fiscal year 1996:  
(A) New budget authority, \$58,200,000,000.  
(B) Outlays, \$55,500,000,000.  
(C) New direct loan obligations, \$11,500,000,000.  
(D) New primary loan guarantee commitments, \$14,000,000,000.  
Fiscal year 1997:  
(A) New budget authority, \$59,900,000,000.  
(B) Outlays, \$58,100,000,000.  
(C) New direct loan obligations, \$13,200,000,000.  
(D) New primary loan guarantee commitments, \$13,200,000,000.  
Fiscal year 1998:  
(A) New budget authority, \$61,700,000,000.  
(B) Outlays, \$60,600,000,000.  
(C) New direct loan obligations, \$15,100,000,000.  
(D) New primary loan guarantee commitments, \$12,300,000,000.  
Fiscal year 1999:

(A) New budget authority, \$63,200,000,000.  
 (B) Outlays, \$62,200,000,000.  
 (C) New direct loan obligations, \$16,800,000,000.  
 (D) New primary loan guarantee commitments, \$11,200,000,000.  
 (11) Health (550):  
 Fiscal year 1995:  
 (A) New budget authority, \$123,800,000,000.  
 (B) Outlays, \$122,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$400,000,000.  
 Fiscal year 1996:  
 (A) New budget authority, \$136,600,000,000.  
 (B) Outlays, \$135,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$300,000,000.  
 Fiscal year 1997:  
 (A) New budget authority, \$150,900,000,000.  
 (B) Outlays, \$149,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$200,000,000.  
 Fiscal year 1998:  
 (A) New budget authority, \$166,600,000,000.  
 (B) Outlays, \$165,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$100,000,000.  
 Fiscal year 1999:  
 (A) New budget authority, \$184,100,000,000.  
 (B) Outlays, \$182,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (12) Medicare (570):  
 Fiscal year 1995:  
 (A) New budget authority, \$162,400,000,000.  
 (B) Outlays, \$160,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$180,500,000,000.  
 (B) Outlays, \$177,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$198,500,000,000.  
 (B) Outlays, \$194,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$217,700,000,000.  
 (B) Outlays, \$210,800,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$242,300,000,000.  
 (B) Outlays, \$227,100,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:  
 Fiscal year 1995:  
 (A) New budget authority, \$56,000,000,000.  
 (B) Outlays, \$55,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$65,200,000,000.  
 (B) Outlays, \$64,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:

(A) New budget authority, \$73,300,000,000.  
 (B) Outlays, \$71,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$81,300,000,000.  
 (B) Outlays, \$78,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$92,200,000,000.  
 (B) Outlays, \$87,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (14) Income Security (600):  
 Fiscal year 1995:  
 (A) New budget authority, \$219,900,000,000.  
 (B) Outlays, \$220,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$234,500,000,000.  
 (B) Outlays, \$229,100,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$249,100,000,000.  
 (B) Outlays, \$242,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$261,000,000,000.  
 (B) Outlays, \$253,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$272,600,000,000.  
 (B) Outlays, \$264,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (15) Social Security (650):  
 Fiscal year 1995:  
 (A) New budget authority, \$6,800,000,000.  
 (B) Outlays, \$9,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$6,300,000,000.  
 (B) Outlays, \$9,400,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$8,300,000,000.  
 (B) Outlays, \$11,500,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$9,000,000,000.  
 (B) Outlays, \$12,300,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$9,800,000,000.  
 (B) Outlays, \$13,200,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (16) Veterans Benefits and Services (700):  
 Fiscal year 1995:  
 (A) New budget authority, \$37,200,000,000.  
 (B) Outlays, \$36,600,000,000.  
 (C) New direct loan obligations, \$1,400,000,000.

(D) New primary loan guarantee commitments, \$32,900,000,000.  
 Fiscal year 1996:  
 (A) New budget authority, \$37,600,000,000.  
 (B) Outlays, \$36,600,000,000.  
 (C) New direct loan obligations, \$1,300,000,000.  
 (D) New primary loan guarantee commitments, \$27,400,000,000.  
 Fiscal year 1997:  
 (A) New budget authority, \$38,500,000,000.  
 (B) Outlays, \$38,300,000,000.  
 (C) New direct loan obligations, \$1,400,000,000.  
 (D) New primary loan guarantee commitments, \$25,800,000,000.  
 Fiscal year 1998:  
 (A) New budget authority, \$38,600,000,000.  
 (B) Outlays, \$38,500,000,000.  
 (C) New direct loan obligations, \$1,400,000,000.  
 (D) New primary loan guarantee commitments, \$25,600,000,000.  
 Fiscal year 1999:  
 (A) New budget authority, \$39,200,000,000.  
 (B) Outlays, \$39,100,000,000.  
 (C) New direct loan obligations, \$1,500,000,000.  
 (D) New primary loan guarantee commitments, \$25,300,000,000.  
 (17) Administration of Justice (750):  
 Fiscal year 1995:  
 (A) New budget authority, \$18,300,000,000.  
 (B) Outlays, \$17,100,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$20,800,000,000.  
 (B) Outlays, \$19,100,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$21,600,000,000.  
 (B) Outlays, \$20,600,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$22,700,000,000.  
 (B) Outlays, \$22,000,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1999:  
 (A) New budget authority, \$23,900,000,000.  
 (B) Outlays, \$22,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 (18) General Government (800):  
 Fiscal year 1995:  
 (A) New budget authority, \$14,000,000,000.  
 (B) Outlays, \$13,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1996:  
 (A) New budget authority, \$13,500,000,000.  
 (B) Outlays, \$14,700,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1997:  
 (A) New budget authority, \$13,400,000,000.  
 (B) Outlays, \$13,900,000,000.  
 (C) New direct loan obligations, \$0.  
 (D) New primary loan guarantee commitments, \$0.  
 Fiscal year 1998:  
 (A) New budget authority, \$13,100,000,000.  
 (B) Outlays, \$13,400,000,000.  
 (C) New direct loan obligations, \$0.



(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$13,500,000,000.

(B) Outlays, \$13,500,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(19) Net Interest (900):

Fiscal year 1995:

(A) New budget authority, \$247,100,000,000.

(B) Outlays, \$247,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$267,300,000,000.

(B) Outlays, \$267,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$283,000,000,000.

(B) Outlays, \$283,000,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$298,600,000,000.

(B) Outlays, \$298,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$315,000,000,000.

(B) Outlays, \$315,000,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(20) For purposes of section 710 of the Social Security Act, Net Interest (900):

Fiscal year 1995:

(A) New budget authority, \$257,600,000,000.

(B) Outlays, \$257,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$278,000,000,000.

(B) Outlays, \$278,000,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$293,800,000,000.

(B) Outlays, \$293,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$309,200,000,000.

(B) Outlays, \$309,200,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$324,800,000,000.

(B) Outlays, \$324,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(21) The corresponding levels of gross interest on the public debt are as follows:

Fiscal year 1995: \$311,800,000,000.

Fiscal year 1996: \$331,300,000,000.

Fiscal year 1997: \$347,900,000,000.

Fiscal year 1998: \$365,300,000,000.

Fiscal year 1999: \$383,600,000,000.

(22) Allowances (920):

Fiscal year 1995:

(A) New budget authority, \$4,100,000,000.

(B) Outlays, \$10,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$3,500,000,000.

(B) Outlays, \$2,400,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$3,600,000,000.

(B) Outlays, \$0.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$2,900,000,000.

(B) Outlays, \$5,900,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$23,200,000,000.

(B) Outlays, \$14,800,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(23) Undistributed Offsetting Receipts (950):

Fiscal year 1995:

(A) New budget authority, \$36,100,000,000.

(B) Outlays, \$36,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$30,300,000,000.

(B) Outlays, \$30,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$30,300,000,000.

(B) Outlays, \$30,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$31,200,000,000.

(B) Outlays, \$31,200,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$31,600,000,000.

(B) Outlays, \$31,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):

Fiscal year 1995:

(A) New budget authority, \$33,500,000,000.

(B) Outlays, \$33,500,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1996:

(A) New budget authority, \$27,100,000,000.

(B) Outlays, \$27,100,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1997:

(A) New budget authority, \$27,600,000,000.

(B) Outlays, \$27,600,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1998:

(A) New budget authority, \$28,300,000,000.

(B) Outlays, \$28,300,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

Fiscal year 1999:

(A) New budget authority, \$28,500,000,000.

(B) Outlays, \$28,500,000,000.

(C) New direct loan obligations, \$0.

(D) New primary loan guarantee commitments, \$0.

## TITLE II—BUDGETARY PROCEDURES

### SEC. 21. SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) from time to time the United States Government should sell assets; and

(2) the amounts realized from such asset sales will not recur on an annual basis and do not reduce the demand for credit.

(b) FINDING.—The Congress finds that every budget resolution since that for fiscal year 1988 has included language prohibiting counting in the budget process the amounts realized from asset sales (other than loan assets).

(c) BUDGETARY TREATMENT.—For purposes of points of order under this concurrent resolution and the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from sales of assets (other than loan assets) shall not be scored with respect to the level of budget authority, outlays, or revenues.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Budget Enforcement Act of 1990); and

(2) the term shall not include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales at levels consistent with agency operations in fiscal year 1986.

(e) SUNSET.—Subsections (a) through (d) of this section shall expire September 30, 1998.

(f) CONFORMING AMENDMENT.—Section 8 of House Concurrent Resolution 64 (103d Congress), section 8 of House Concurrent Resolution 287 (102d Congress), section 7 of House Concurrent Resolution 121 (102d Congress), section 5 of House Concurrent Resolution 310 (101st Congress), section 6 of House Concurrent Resolution 106 (101st Congress), section 4 of House Concurrent Resolution 268 (100th Congress), and sections 7 and 8 of House Concurrent Resolution 93 (100th Congress) are repealed.

### SEC. 22. SOCIAL SECURITY FIRE WALL POINT OF ORDER IN THE SENATE.

(a) FINDING.—The Senate finds that the concurrent resolutions on the budget for fiscal years 1993 and 1994 have prohibited subsequent concurrent resolutions on the budget from decreasing the balances of the social security trust fund.

(b) APPLICATION OF SECTION 301(i).—Notwithstanding any other rule of the Senate, in the Senate, the point of order established under section 301(i) of the Congressional Budget Act of 1974 shall apply to any concurrent resolution on the budget for any fiscal year (as reported and as amended), amendments thereto, or any conference report thereon.

(c) CONFORMING AMENDMENT.—Section 10(b) of House Concurrent Resolution 64 (103d Congress) and section 12(b) of House Concurrent Resolution 287 (102d Congress) are repealed.

### SEC. 23. ENFORCING PAY-AS-YOU-GO.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the deficit reduction embodied in the Omnibus Budget Reconciliation Act of 1993; and

(2) continue the pay-as-you-go enforcement system.

(b) FINDING.—The Senate finds that section 12(c) of the concurrent resolution on the

budget for fiscal year 1994 created a point of order prohibiting legislation that would increase the deficit through fiscal year 2003.

(c) ENFORCEMENT.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or receipts legislation (including any such bill, joint resolution, amendment, motion, or conference report) that would—

(A) increase the deficit for the first fiscal year covered by the most recently adopted concurrent resolution on the budget;

(B) increase the deficit for the period of the 5 fiscal years covered by the most recently adopted concurrent resolution on the budget; or

(C) increase the deficit to a significant degree for the period of the 5 fiscal years following the first 5 years covered by the most recently adopted concurrent resolution on the budget;

when taken individually (as a bill, joint resolution, amendment, motion, or conference report, as the case may be), and when taken together with all direct spending and receipts legislation enacted after the date of enactment of the Omnibus Budget Reconciliation Act of 1993.

(2) DIRECT SPENDING AND RECEIPTS LEGISLATION.—For purposes of this subsection, direct spending and receipts legislation shall—

(A) exclude full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990;

(B) exclude emergency provisions so designated under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985;

(C) include the estimated amount of savings in direct spending programs applicable to that fiscal year resulting from the prior year's sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985, if any (except for any amounts sequestered as a result of a net deficit increase in the fiscal year immediately preceding the prior fiscal year); and

(D) except as otherwise provided in this subsection, include all direct spending legislation as that term is defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(e) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(f) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(g) CONFORMING AMENDMENT.—Section 12(c) of House Concurrent Resolution 64 (103d Congress) is repealed.

(h) TECHNICAL CORRECTION.—Notwithstanding section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by sections 1312(b) and 13208(b)(3) of the Budget Enforcement Act of 1990), the second sentence of section 904(c) of the Congressional Budget Act of 1974 (except insofar

as it relates to section 313 of that Act) and the final sentence of section 904(d) of that Act (except insofar as it relates to section 313 of that Act) shall continue to have effect as a rule of the Senate through (but no later than) September 30, 1998.

(i) SUNSET.—Subsections (a) through (f) of this section shall expire September 30, 1998.

SEC. 24. DEFICIT-NEUTRAL RESERVE FUND IN THE SENATE.

(a) INITIATIVES TO IMPROVE THE WELL-BEING OF FAMILIES THROUGH WELFARE OR OTHER REFORMS, TO PROVIDE FOR SERVICES TO SUPPORT OR PROTECT CHILDREN, OR TO IMPROVE THE HEALTH, NUTRITION, OR CARE OF CHILDREN.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for legislation to improve the well-being of families through welfare or other reforms (including promoting self-sufficiency through improvements in job training or employment programs), to provide for services to support or protect children (including assuring increased parental support for children through improvements in the child support enforcement program), or to improve the health, nutrition, or care of children, within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(b) INITIATIVES TO PROVIDE COMPREHENSIVE TRAINING OR JOB SEARCH ASSISTANCE OR TO REFORM UNEMPLOYMENT COMPENSATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for legislation that increases funding to provide comprehensive training or job search assistance (including reemployment or job training programs or dislocated worker programs), or to reform unemployment compensation, or to provide for other related programs, within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous

or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(c) CONTINUING IMPROVEMENTS IN ONGOING HEALTH CARE PROGRAMS OR COMPREHENSIVE HEALTH CARE REFORM.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for legislation that increases funding to make continuing improvements in ongoing health care programs, to provide for comprehensive health care reform, to control health care costs, or to accomplish other health care reforms within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(4) ADJUSTMENTS FOR AMENDMENTS.—(A) If the Chairman of the Committee on the Budget makes an adjustment for legislation pursuant to this subsection, upon the offering of an amendment to such legislation, the Chairman shall file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates



if the enactment of such legislation (as proposed to be amended) will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (i) fiscal year 1995; or
- (ii) the period of fiscal years 1995 through 1999.

(B) These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution on the budget.

(C) The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(5) LIMITING THE GROWTH IN MANDATORY SPENDING.—Notwithstanding any other provision of this subsection, the Chairman of the Committee on the Budget shall not file revised allocations, functional levels, and aggregates unless the legislation as reported or the conference report as submitted will reduce (by virtue of either contemporaneous or previously passed legislation) outlays by \$19,600,000,000 for the period of fiscal years 1995 through 1999.

(d) INITIATIVES TO PRESERVE AND REBUILD THE UNITED STATES MARITIME INDUSTRY.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that increases funding to preserve and rebuild the United States maritime industry within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (A) fiscal year 1995; and
- (B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(e) INITIATIVES TO REFORM THE FINANCING OF FEDERAL ELECTIONS.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that increases funding to reform the financing of Federal elections within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are

not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (A) fiscal year 1995; or
- (B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(f) TRADE-RELATED LEGISLATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for trade-related legislation (including legislation to implement the Uruguay Round of the General Agreement on Tariffs and Trade or to extend the Generalized System of Preferences) within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (A) fiscal year 1995; or
- (B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(g) REFORMS RELATING TO THE PENSION BENEFIT GUARANTY CORPORATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms relating to the Pension Benefit Guaranty Corporation (includ-

ing legislation to improve the funding of government-insured pension plans, to protect plan participants, or to limit growth in exposure of the Pension Benefit Guaranty Corporation) or other employee benefit-related legislation within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (A) fiscal year 1995; or
- (B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(h) REFORMS RELATING TO EMPLOYMENT TAXES ON DOMESTIC SERVICES.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms relating to providing for simplified collection of employment taxes on domestic services within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (A) fiscal year 1995; or
- (B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(i) INITIATIVES TO REFORM THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that increases funding to reform the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(j) REFORMS TO CONSOLIDATE THE SUPERVISION OF DEPOSITORY INSTITUTIONS INSURED UNDER THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms to consolidate the supervision of depository institutions insured under the Federal Deposit Insurance Act within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(k) INITIATIVES TO PRESERVE ENERGY SECURITY.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for initiatives to preserve United States energy security within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

#### SEC. 25. ENFORCEMENT PROCEDURES.

(a) DISCRETIONARY SPENDING LIMITS.—

(1) DEFINITION.—As used in this section, for the discretionary category, for the purposes of congressional enforcement of this resolution, reduce the discretionary spending limit in section 601 of the Congressional Budget Act of 1974 by the following amounts—

(A) with respect to fiscal year 1996, \$4,200,000,000 in non-defense budget authority and \$5,400,000,000 in non-defense outlays;

(B) with respect to fiscal year 1997, \$4,800,000,000 in non-defense budget authority and \$5,600,000,000 in non-defense outlays; and

(C) with respect to fiscal year 1998, \$8,700,000,000 in non-defense budget authority and \$5,300,000,000 in non-defense outlays.

(2) POINT OF ORDER IN THE SENATE.—(A) Except as provided in subparagraph (B), it shall not be in order in the Senate to consider any concurrent resolution on the budget for fiscal years 1996, 1997, or 1998 (or amendment, motion, or conference report on such a resolution) that would exceed any of the discretionary spending limits in this section.

(B) This subsection shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(b) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any

provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate or the Committee on the Budget of the House of Representatives, as the case may be.

#### SEC. 26. EXERCISE OF RULE-MAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

Provided further, That all increases or decreases in discretionary accounts assumed on pages 3 through 69 of this amendment shall be considered nugatory and all overall totals be adjusted accordingly.

#### DORGAN (AND OTHERS) AMENDMENT NO. 1564

Mr. DORGAN (for himself, Mr. FEINGOLD, Mr. DASCHLE, and Mr. LEVIN) proposed an amendment to the concurrent resolution S. Con. Res. 63, supra; as follows:

At the end of the resolution, insert the following new section:

#### SEC. . CLOSING OF LOOPHOLES IN FOREIGN TAX PROVISIONS.

(a) FINDINGS.—The Senate finds that—

(1) foreign-controlled corporations doing business in the United States do not pay their fair share of taxes;

(2) up to 72 percent of foreign-controlled corporations doing business in the United States pay no Federal income tax;

(3) the Internal Revenue Service has limited its own ability to enforce Federal tax laws against foreign-controlled corporations, to the detriment of domestic taxpayers;

(4) the Internal Revenue Service has been using antiquated accounting concepts to deal with sophisticated multinational corporations;

(5) billions of dollars of Federal revenues are lost annually due to the inability of the Internal Revenue Service to enforce the "arm's length" transaction rule—not even counting the costs of bureaucracy and litigation; and

(6) the Federal income tax laws encourage domestic taxpayers to relocate abroad by granting them deferral of United States taxes on income earned abroad.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that deficit reduction should be achieved, in part, by ending loopholes and enforcement breakdowns that now enable



foreign-controlled corporations operating in the United States to pay no taxes and that subsidize the flight of domestic businesses and jobs out of the United States, including—

(1) a more streamlined and efficient method of enforcing Federal tax laws involving multinational corporations, especially those based abroad, in particular, the use of a formula approach by the Treasury Department where the "arm's length" transaction rule does not work; and

(2) a repeal of tax subsidies for domestic businesses that move jobs to tax havens abroad and then ship their products back into the United States.

#### SPECTER AMENDMENT NO. 1565

Mr. SPECTER proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 63, supra; as follows:

On page 41, decrease the amount on line 11 by \$435,000,000.

On page 41, decrease the amount on line 12 by \$326,000,000.

On page 41, decrease the amount on line 18 by \$452,000,000.

On page 41, decrease the amount on line 19 by \$339,000,000.

On page 41, decrease the amount on line 25 by \$465,000,000.

On page 42, decrease the amount on line 1 by \$349,000,000.

On page 42, decrease the amount on line 7 by \$475,000,000.

On page 42, decrease the amount on line 8 by \$357,000,000.

On page 42, decrease the amount on line 14 by \$488,000,000.

On page 42, decrease the amount on line 15 by \$366,000,000.

On page 26, increase the amount on line 8 by \$100,000,000.

On page 26, increase the amount on line 9 by \$50,000,000.

On page 26, increase the amount on line 15 by \$103,000,000.

On page 26, increase the amount on line 16 by \$52,000,000.

On page 26, increase the amount on line 22 by \$106,000,000.

On page 26, increase the amount on line 23 by \$53,000,000.

On page 27, increase the amount on line 5 by \$109,000,000.

On page 27, increase the amount on line 6 by \$53,000,000.

On page 27, increase the amount on line 12 by \$112,000,000.

On page 27, increase the amount on line 13 by \$56,000,000.

On page 30, increase the amount on line 20 by \$225,000,000.

On page 30, increase the amount on line 21 by \$214,000,000.

On page 31, increase the amount on line 2 by \$232,000,000.

On page 31, increase the amount on line 3 by \$221,000,000.

On page 31, increase the amount on line 9 by \$239,000,000.

On page 31, increase the amount on line 10 by \$228,000,000.

On page 31, increase the amount on line 16 by \$246,000,000.

On page 31, increase the amount on line 17 by \$234,000,000.

On page 31, increase the amount on line 23 by \$253,000,000.

On page 31, increase the amount on line 24 by \$240,000,000.

On page 35, increase the amount on line 8 by \$100,000,000.

On page 35, increase the amount on line 9 by \$62,000,000.

On page 35, increase the amount on line 15 by \$103,000,000.

On page 35 increase the amount on line 16 by \$65,000,000.

On page 35, increase the amount on line 22 by \$106,000,000.

On page 35, increase the amount on line 23 by \$66,000,000.

On page 36, increase the amount on line 5 by \$109,000,000.

On page 36, increase the amount on line 6 by \$68,000,000.

On page 36, increase the amount on line 12 by \$112,000,000.

On page 36, increase the amount on line 13 by \$70,000,000.

#### DOLE AMENDMENT NO. 1566

Mr. DOLE proposed an amendment to amendment No. 1565 proposed by Mr. SPECTER to the concurrent resolution, Senate Concurrent Resolution 63, supra; as follows:

As the appropriate place, add the following: "The Budget of the U.S. Government for Fiscal Year 1995".

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to conduct a hearing on the competitiveness of the U.S. Biotechnology Industry, on March 23, 1994, beginning at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., March 23, 1994, to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate, on Wednesday, March 23, at 9:30 a.m., to conduct a business meeting to consider S. 1547, the Safe Drinking Water Act of 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today, March 23, 1994, at 10 a.m., to hear testimony on the subject of the Uruguay round of the GATT.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Commit-

tee on Foreign Relations, be authorized to meet during the session of the Senate on Wednesday, March 23, 1994, at 10 a.m. to hold a hearing on United States policy toward Russia.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee for authority to meet on Wednesday, March 23, at 10 a.m. for a markup on H.R. 3400, the Government Reform and Savings Act, and the nomination of Rafael Diaz, to be associate judge, Superior Court of the District of Columbia.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, March 23, 1994, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 1021, the Native American Free Exercise of Religion Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on National Science Foundation reauthorization, during the session of the Senate on March 23, 1994, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON CONSTITUTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Constitution, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, March 23, 1994, at 9:30 a.m., to hold a hearing on the Gun Violence Prevention Act: Public Health and Child Safety.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON HOUSING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 23, 1994, beginning at 10 a.m. to conduct a hearing on Federal Transit Authority budgets.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., March 23, 1994, to

receive testimony on the following bills: S. 1270, to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; S. 1324, to authorize the Secretary of the Interior to exchange certain lands of the Columbia Basin Federal Reclamation Project, Washington, and for other purposes; S. 1402, to convey a certain parcel of public land to the County of Twin Falls, ID, for use as a landfill, and for other purposes; S. 1703, to expand the boundaries of the Piscataway National Park, and for other purposes; and H.R. 194, to withdraw and reserve certain public lands and minerals within the State of Colorado for military uses, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO MS. JEF CONNER LOUISVILLIAN HELPS OTHERS THROUGH TRAGIC TIMES

• Mr. McCONNELL. Mr. President, too often in our lives we see tragic events and chose to ignore them. I understand that there isn't any one of us who can change the world singlehandedly. However, if we all followed the example of my dear friend Jef Conner, the world would be a much more pleasant place to live.

Jef Conner is a doer Mr. President. Thirteen years ago she was forced to deal with a personal tragedy. Her daughter, Christine, was diagnosed with a form of cancer affecting her nervous system. During her treatment at Louisville's Kosair Children's Hospital, Jef saw firsthand the horrors that a family with a sick child must endure.

Mr. President, Kentucky is a largely rural State and therefore many families are forced to travel great distances to get the specialized medical care they may require. This imposes even greater burdens upon those already dealing with the fear of losing their precious children.

Jef Conner, as is emblematic of her "can do" personality, has done something about this problem. In 1984, with the help of her daughter's doctor, Dr. Sal Bertolone, and over one-thousand volunteers, a Ronald McDonald House was founded in Louisville. Here families of ill children being treated at Kosair can stay while their loved ones are being cared for. The facility provides housing at only \$7 a day very near the Children's Hospital.

Since its opening the Ronald McDonald House has served 20,338 people from 8,190 families and 105 of Kentucky's 120 counties. Jef Conner deserves much of the credit for these figures. Early on she and her two sons served as weekend managers of the facility. She still serves meals there on holidays as well

as serving on the board of many Kentucky charitable organizations. I am also proud to announce that Jef's daughter Christine is now healthy and helps her mother volunteer at the house.

Mr. President, Jef Conner serves as a wonderful example to us all as someone who does the necessary things to help her community become a better place to live. When she sees a problem she does what she can to alleviate it and we are all grateful to her for her continued efforts.

Mr. President, I ask my colleagues to join me in honoring my friend Jef and a true point of light in the Louisville community. In addition, I request that an article from the March 21, 1994 Courier Journal be placed in the RECORD following my remarks.

The article follows:

[From the Louisville Courier Journal, March 21, 1994]

HOME AWAY FROM HOME—JEF CONNER HAS WORKED TO BUILD A CARING ATMOSPHERE FOR FAMILIES OF ILL CHILDREN

(By Bill Wolfe)

The difference between a stack of dry wood and a blazing fire is one tiny spark.

The difference between a pile of good intentions and the glowing success of the 9-year-old Louisville Ronald McDonald House was Jef Conner.

For years, Dr. Sal Bertolone had wanted a house for families of ill children being treated in Louisville. But the idea never seemed to catch fire.

"We didn't have the spark to ignite it," the pediatric hematologist and oncologist said.

The spark came after a crisis touched the lives of Conner and then-husband Hunt Rounsavall. Their daughter, Christine, was diagnosed with a rare form of cancer that affects the nervous system soon after she was born May 17, 1981.

Christine spent weeks in Kosair Children's Hospital, undergoing surgery and beginning radiation therapy. Despite their fears and grief, Conner and Rounsavall were touched by the plight of out-of-town parents who brought their children to Louisville for medical care.

After reading a Reader's Digest article about Ronald McDonald Houses springing up around the world, Conner contacted the McDonald's Corp. "Even though I didn't know if Christine would ever even make it, I knew I had to do something" for the other parents, said Conner, 46, who lives in eastern Jefferson County.

"They wrote me back a letter and said, 'You know, there's a doctor in your community that really wants this. His name is Dr. Bertolone,'" Conner recalled.

She was surprised. Bertolone was Christine's doctor, but he had never spoken to Conner about a Ronald McDonald House. Soon, however, the two were meeting on her back porch making plans for the house.

"It just snowballed," Conner said. "I called few people. People wrote me out of the blue. People I didn't even know started calling me."

Before long "we had close to 1,000 volunteers," said Conner, president of the group—called Kentuckiana Children's House—from 1981 from 1986.

In its first two years, the group raised \$1.8 million to lease and renovate the first two

floors of the University of Louisville's old medical school annex at 550 S. First St.

"I knew we could do it. And all the volunteers, the people that I met, they all felt the same way," Conner said.

The Louisville Ronald McDonald House opened Sept. 10, 1984. It had served 20,338 people from 8,190 families as of last Oct. 31, when the numbers were last calculated. They have come from 105 of Kentucky's 120 counties and from 24 other states.

The 17,000-square-foot house contains 20 bedrooms, two living rooms, two dining rooms, 11 bathrooms, five common kitchen areas, a game room, a library and play areas inside and out.

Residents pay \$7 a night per room (though the fee can be waived) and can stay in the house up to nine months.

Conner and her two sons, Hunt and Gibbs, occasionally managed the house on weekends for the first year it was open. While the House now has paid managers, Conner continues to help out on holidays, cooking and decorating with help from her second husband, Stewart Conner, and Christine, now a healthy and active 12-year-old.

And Jef Conner has expanded her efforts locally and nationally.

In 1987, the international advisory board for Ronald McDonald Houses asked her to join the board. There she helped other communities begin houses, including one in Utrecht in the Netherlands.

She also served on the Ronald McDonald Children's Charities Board, the grant-making foundation for McDonald's Corp., and is now a board member of the National Committee to Prevent Child Abuse.

Locally, she is on the boards of a half-dozen charities and agencies, and she volunteers in a program that searches for bone-marrow donors for cancer patients.

The common bond between the activities is a concern for children, she said.

"When you see sick kids and abused children, you cannot step away or look away. You have to—you just have to do whatever you can to make a difference," Conner said.

Those who know her say Conner's strength as a leader stems from her passion, vision and ability to unite diverse people.

"She's able to bring people together, and she's able to see the long-term goals," said Mitchell Charney, immediate past president of Kentuckiana Children's House.

"She got me involved in the Ronald McDonald House, and I wound up being president," said Charney, a law partner with Goldberg and Simpson. "She's a 110-percent," Bertolone said.

"She sees a problem and she's going to solve it. She's not going to turn around and say, 'I've got too much on my plate.'"

Conner simply says that "volunteering is a wonderful thing. It's an opportunity to give back. And in my case, I have a great debt to the community. Everything was in the right place at the right time for my child. And I want it to be that way for the child that's going to be born tomorrow."

JEF CONNER, LOUISVILLE RONALD MCDONALD HOUSE

Founder, board member, past president.  
Job: Community volunteer.

Years performing the service: 12.

Mission: To provide a home away from home for families while children receive medical treatment.

Source of funds: \$150,000 through private contributions. •



# NATIONAL MENTAL HEALTH COUNSELING WEEK

• Mr. HEFLIN. Mr. President, I rise today to acknowledge the importance of mental health to individuals' and society's well-being and to recognize counseling as a vital aid in achieving and maintaining good mental health.

Mental health counseling is provided along a full continuum of care, from developmental and preventive services, to diagnosis and treatment of mental illness, to long-term services. It assists individuals and groups with problem-solving, personal and social development, decisionmaking, and self-understanding.

Mental health counseling is provided in community mental health agencies, private practice, psychiatric hospitals, college campuses, and rehabilitation centers. It is provided in collaboration with other mental health professionals, including psychiatrists, psychologists, social workers, psychiatric nurses, and marriage and family therapists, to assure the most appropriate counseling for each client. It is provided by professionals with master's or doctoral degrees in counseling or similar disciplines, practicing within the scope of their training and experience, licensed in 40 States and the District of Columbia.

I congratulate the American Mental Health Counselors Association on their designation of May 1 to 7, 1994, as "National Mental Health Counseling Week," and urge every American to seek the assistance of a qualified mental health counselor, when needed.●

## HANFORD B-REACTOR—50-YEAR ANNIVERSARY

• Mr. GORTON. Mr. President, this year we commemorate the 50th anniversary of the construction of the Hanford B-reactor; the world's first full-sized nuclear reactor. Given the profound impact that the B-reactor and its successors have had on our Nation's history, I would like to take a moment to recognize the tremendous contributions and sacrifices made by the Hanford community during the early days of the Manhattan project.

As many of my colleagues know, the first controlled nuclear reaction took place in a squash court beneath the University of Chicago football stadium on December 2, 1942. From then on the Army moved with remarkable speed to select a full-scale plutonium production site. E.I. du Pont de Nemours drafted site selection criteria for the Army just 2 weeks later, and Army scouts set out to look for a site that was isolated from population centers, had a plentiful water supply, and had access to ample electricity. Hanford fit this description to the letter, and the site was selected just 1 month after the Chicago experiment on January 2, 1943.

The Army used its authority under the War Powers Act to purchase 625

square miles of land for \$5.1 million. The purchased lands included the town-site of Hanford and White Bluffs and some 50,000 acres of productive farmland. More than 1,300 people were uprooted, many of whom were forced to move within 30 days. Despite the fact that property valuations were less than generous, most residents viewed the disruption as another noble sacrifice for the war effort.

Once the Hanford area was secured by the Army, the influx of workers began. Recruiting pamphlets were circulated nationally proclaiming,

There's a job for you at Hanford. It's not a short job and it's not a small job. We can't tell you much about it because it's an important war job, but we can tell you it's new heavy industrial plant construction.

Thousands heeded the call looking for a good job, a better life, and a chance to be part of a new, growing community. The Hanford camp was built to provide housing and services for the newcomers, eventually growing to over 1,100 buildings including a bank, a hospital, an auditorium, taverns, and other amenities. The camp quickly grew large enough to feed, house, and entertain some 51,000 workers and 8 mess halls each served 2,700 meals 3 times per day. The taverns sold 12,000 gallons of beer a week and the camp soon became the largest general delivery post office in the world.

In just over a year, the residents of Hanford camp managed to construct the world's first full-sized nuclear reactor—despite the fact that almost none of the workers knew what it was they were building. This remarkable achievement has been recognized by the American Society of Mechanical Engineers and the American Nuclear Society, and will receive additional attention this Saturday when the B-reactor is designated as a civil engineering landmark by the Society of Civil Engineers. The B-reactor has also been entered into the National Park Service's Register of Historic Places.

B-reactor went crucial just after midnight on the evening of September 26, 1944, and eventually produced the plutonium used in one of the bombs that ended World War II. It is difficult legacy for many of those who worked on the B-reactor, but it is clear that those people have reason to be tremendously proud of what they accomplished.

Although the Hanford camp was dismantled 3 years after its construction, a more permanent community emerged as Hanford settled into its role as a cold war production site. Richland, Pasco, and Kennewick, known collectively as the Tri-Cities, have since endured a long series of boom and bust cycles as defense production needs have changed. Through it all the community has maintained its steadfast dedication to the Hanford mission.

The Tri-Cities now claim well over 150,000 residents, and have become one

of the State's fastest growing regions. The agriculture, food processing, and high-technology industries have all thrived in recent years, and the region's pleasant climate, well-educated population, and access to transportation will make it attractive to industry for many years to come.

Despite this recent growth in non-Hanford related industry, the economy of the Tri-Cities is still largely dependent on Hanford. More than 15,000 people are currently employed at Hanford, and thousands more jobs depend directly upon site activities. The vast majority of Hanford production is now related to site cleanup.

As it is widely recognized that the site's environmental restoration mission cannot sustain current employment levels indefinitely, Tri-Cities leaders have been pursuing economic diversification with a vigor and sense of purpose reminiscent of the early days of the Manhattan project. In many ways, the challenge is equally daunting.

Mr. President, the Tri-Cities area has come a long way since the construction of the B-reactor. As we celebrate the 50th anniversary of the birth of Hanford, I hope my colleagues will take a moment to consider the enormous contributions to national security made by Hanford workers over this period. I also hope they will be sympathetic to the needs of the community as it pursues its cleanup mission and strives to diversify its economy. We owe it to these people to be as supportive as we possibly can.●

## REEMPLOYMENT AND RETRAINING ACT

Mr. MITCHELL. Mr. President, I understand that S. 964, the Reemployment and Retraining Act introduced earlier today by Senator METZENBAUM is at the desk.

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (S. 964) entitled the Reemployment and Retraining Act.

Mr. MITCHELL. Mr. President, I now ask for its second reading, and I understand that the Republican leader will object.

Mr. DOLE. I object.

The PRESIDING OFFICER. The objection is heard.

The bill will lay over and have its second reading on the next legislative day.

## RECESS UNTIL THURSDAY, MARCH 24, 1994, AT 9:30 A.M.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Sen-

